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NU CHAIRMAN COMMENTS ON DEMOCRACY PARTY

Jakarta KOMPAS in Indonesian 5 May 86 p 1

[Text] Jakarta, KOMPAS--Abdurrahman Wahid, the chairman of the Executive Committee of the Nahdatul Ulama (NU), hopes that the turnover of authority from one generation of leaders to a younger generation in the leadership of the Central Executive Council of the Indonesian Democracy Party (PDI) will be completed. Regeneration should also take place in the full leadership of the party at provincial as well as branch levels of the party.

This statement was made on 3 May in Bandar Soekarno-Hatta in answering questions from a KOMPAS representative, regarding the appointment of the leaders of the Central Executive Council of the PDI, which is chaired by Doctor Soerjadi.

Abdurrahman Wahid, whose nickname is Cak Dur or Gus Dur, went on to say that a more important consideration than the selection of new leadership in the Central Executive Council of the PDI is whether or not the senior leaders of the PDI who have been replaced will be able to restrain themselves from exercising their influence. If these leaders are able to restrain themselves, this will be a great help to the PDI. Cak Dur said, with a laugh, "Regeneration, as it often occurs, simply involves disposing of the old leaders."

Regarding the younger leaders who have not yet been included in the Central Executive Council, the young NU leader said that these people can be directed into various sectors of the party which help in the development of the PDI. Gus Dur said: "Doesn't this often happen?"

He thinks that it is now time for the PDI to help in the development of community self-sufficiency. Potential leaders can be used in that area. The community self-sufficiency institutions to which he referred include cooperatives, among other agencies. In the NU this kind of policy has been adopted, and all groups concerned are happy with it.

NU Supports Its Members

Asked about the attitude of the NU toward the three social and political forces, and particularly the PDI, which has just begun its process of

regeneration, the chairman of the Executive Committee of the NU declared that the NU will support its members in every position contested. Abdurrahman Wahid said: "This includes NU members who are also members of the PDI."

Referring to the festival of democracy in 1987, he recalled that the forthcoming general elections do not involve choosing a religion or an ideology. The three social and political forces, that is, the United Development Party (PPP), the Functional Groups (GOLKAR), and the PDI, have adopted the Pancasila as the single founding principle of their organizations. The three social and political forces will bring out their best candidates and programs which can be accepted by their supporters. Closing his remarks, the chairman of the Executive Committee of the NU said: "Whatever their candidates and programs."

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CSO: 4213/153

INDONESIA

NU CHAIRMAN'S VIEWS ON MUSLIM RADICALS

Surabaya SURABAYA POST in Indonesian 22 Apr 86 p 1

[Text] Surabaya--Radical activity by some groups at public universities must not be regarded as a sign that public universities are places reserved for radicals. And, as far as that is concerned, a distinction must still be made between radicalism and acts of violence.

Kyai Haji Abdurrahman Wahid, general chairman of the Executive Committee of the Nahdatul Ulama [NU], made this statement to the SURABAYA POST. He said that extremist activity is often reported at the universities, carried on by individuals or by groups of organizations. Because such extremist activity often occurs, the university concerned almost becomes known as an extremist institution. In fact, the majority of the students are not extremists at all. He stated: "There must be a distinction made between a village of thieves and a village which has some thieves living there. In a village of thieves, all of the residents are thieves. However, this is different from the situation where only one thief lives in the village."

In the same way, he declared that we must distinguish between radical and extremist activity. Any effort to change conditions by destroying existing institutions is called radical. However, in that connection we must distinguish radical activity from extremist activity, which has the connotation of acts of violence.

He repeated: "For example, the NU National Congress in Situbondo [in 1984] involved radical activity. This is because, beginning with that meeting, an effort was made, under the leadership of Kyai Haji As'ad Syamsul Arifin, to cause a breakdown in the organization of the NU. Therefore, K. H. As'ad Syamsul Arifin is a radical."

Muslim Teachers

In a speech on the occasion of the conclusion of examinations at the An Najiyah religious school in Sidoresmo, Surabaya, Abdurrahman Wahid also denied that Muslim teachers [ulama] in Indonesia are decreasing in numbers. There are still many religious schools which graduate Muslim teachers. Even now there are still very many young Muslim teachers, he said.

In the Nahdatul Ulama, after the momentum developed at the National Congress of the NU in Situbondo, hundreds of young Muslim teachers were still to be found who are under 50 years of age. At the first session there were five senior Muslim teachers who were over 60. At the second session, the NU was able to find dozens of Muslim teachers aged about 50. Indeed, at subsequent meetings there were hundreds of young Muslim teachers who were under 50, and they were brought together in an organized way.

He continued: "There are hundreds of young Muslim teachers who are still in their 40's. They will turn out to be as good ulama as the general chairman."

According to K. H. Abdurrahman Wahid, in the future the replacement of the present generation of Muslim teachers will proceed naturally. In accordance with the tradition of the Muslim schools, the more senior Muslim teachers will preside over the younger ones, while the younger ones will continue to follow in their footsteps. At appropriate times, the replacement of the older generation by the younger group will occur without difficulty.

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CONTINUED RIFT IN PPP REPORTED

Jakarta SINAR HARAPAN in Indonesian 2 May 86 p 11

[Text] The United Development Party (PPP) is astir with controversy once again. It's still the same old problem: the dispute between the group headed by J. Naro and the one headed by Soedardji. On 27 April Soedardji supporters sitting in the Regional Executive Council of the PPP in West Java and Jakarta sent a letter to the chairman of Parliament and of the MPR, President Soeharto, and Soedardji as chairman of the PPP. The letter contained a demand that Naro be dismissed.

The letter from the West Java Provincial Executive Council was signed by Deputy Chairman Hotma Tarapul and First Secretary Hidayat Zaini, while the letter from the Jakarta Executive Council was signed by Chairman H. Noerwidjojo Sardjono and Secretary H. Chomsani. The two provincial executive councils consider that, as long as Naro is the leader of the PPP, there will always be trouble in the party, and they consider his leadership to be in conflict with the aspirations of the community. The West Java Provincial Executive Council wrote: "H. J. Naro is a mysterious and treacherous phenomenon."

And what is the reaction of the Naro camp? Mardinsyah, the secretary general of the Central Executive Council of the PPP, said: "Those are just irresponsible letters." He said that the senders of the letters are already no longer recognized as leaders of provincial executive councils of the PPP. Indeed, "they are not PPP members," added H. M. Yusuf Anwar Ghafar, chairman of the West Java Provincial Executive Council, in making accusations against Hotma and Hidayat. At present, according to Ali Tamin, who is the secretary of the pro-Naro Central Executive Council of the PPP, unauthorized provincial and branch executive councils are springing up in several areas.

What makes the Soedardji group angry is the meeting held by Naro at the PHI [Indonesian Pilgrimage Committee] Building in Cempaka Putih, Jakarta, in mid April 1986. There, for 3 days, 122 PPP cadres from 26 provinces throughout Indonesia met. They were there for discussions on improving their performance during the forthcoming general elections. Suddenly, at the end of the session, a number of cadres attending issued a statement calling for the dismissal of Soedardji, the chairman of the Central Executive Council elected at the National Congress of the PPP. Meanwhile, it was said that Naro

intended to leave Soedardji's name off the list of PPP candidates for Parliament in the next general elections.

Soedardji said: "I, as chairman of the Central Executive Council of the PPP, will prepare my own list of candidates." It is said that 50 letters have been received from several provinces which call on Soedardji to take over the leadership of the party from Naro. According to Bachtiar Soetijono, deputy secretary of the pro-Soedardji Development Unity Faction in Parliament, it is not clear which of the two is the legal leader. He said: "This is all because of Naro, who is always upsetting the work of provincial and branch conferences of the party." On the other hand, according to Mardinsyah, 160 letters have been received, proposing that action be taken against Soedardji. We don't know who is right.

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JUSTICE MINISTRY EMPLOYEE SUSPENSIONS FOR PKI TIES REPORTED

Jakarta TEMPO in Indonesian 3 May 86 p 14

[Text] During the last few days Mrs Soediro has no longer dared to leave home. Indeed, she has gone without food for 3 days and has fallen ill. What's the matter? It's all because Soediro, her husband, has been placed on long leave since 1 April. She said: "I am ashamed because my husband has been called a supporter of the PKI."

Soediro, 44 years old and an employee of the Community Institute of Banyumas [Central Java], is one of 432 employees of the Central Java Provincial Office of the Department of Justice who have been suspended from their duties because they were allegedly involved with the PKI. Soediro told a TEMPO representative: "I was called in by the chief of the Community Institute and then handed a letter requesting leave which I had to sign." After that the office director immediately gave him a letter placing him on long leave. The leave lasts from 1 April to 30 June 1986, and after that he will be retired.

Soediro said: "I was astonished when I was told I had been involved in SOBSI and the PKI," when he discussed the reason for his having been placed on long leave. "In fact, I don't know anything about politics and have never been a member of any political party." According to his admission, after the G-30-S/PKI incident [abortive communist coup d'etat of 1965] broke out, he even joined in helping the security authorities arrest SOBSI leaders in the Banyumas Community Institute. For that reason he was astonished when he was accused of having been involved in SOBSI. Soediro added: "If I was really involved in communist activity, why wasn't I dismissed from the civil service previously, when Category 1 A of PKI members was still in use?"

At present Soediro is a Class II A civil servant with a salary of 96,400 rupiahs. He is the father of six children and has been working for the Banyumas Community Institute since September 1964. From the time he began working there until the G-30-S/PKI incident occurred, according to Soediro, 100 rupiahs were deducted from his salary each month by the community center director, who later turned out to have been a member of the PKI. Soediro said: "However, at the time, I didn't know why the deduction was being made from my salary." He said that, as a new employee, he was willing to have the deduction made from his salary because he was threatened with dismissal by his superiors if he didn't agree.

Soediro does not regret the fact that the salary deductions have had long term consequences. He is not said to have been involved in the PKI. Although he later went through a screening process--in 1976 he was declared free of involvement in a prohibited party--and graduated from the Pancasila indoctrination course, it turned out that the teacher of that course did not help him. He will still be retired, although he is still young.

According to Dimyati Hartono, the chief of the Central Java Provincial Office of the Department of Justice, 432 of his subordinates have long been known to have been involved in prohibited organizations. He said: "They were involved in the G-30-S/PKI, with C-2 and C-3 classifications." But why is it only now that this action has been taken against them? He replied: "At the time their work was still needed, so that the Department of Justice postponed speeding up the date of their retirement."

Of the 432 persons affected, 182 are over 50, 84 are between 45 and 50, and the others are under 45. For those over 50, as soon as their 3 months long leave is completed, they will automatically be given letters of decision announcing that they have been retired. Regarding those under 50, "while they are on long leave, they will be ordered to prepare an application for retirement," Dimyati said. During their leave they will receive their salaries but no functional or official allowances.

The program for the suspension of government employees for involvement in the G-30-S/PKI is not only in operation in the Central Java Provincial Office of the Department of Justice. It is also happening in the Regional Office of the Department of Justice for the Special Area of Yogyakarta [DIY]. As many as 31 employees of the 3 Community Institutes in this province have been sent home on long leave since 1 April. S. Sarwono, chief of the Regional Office of Justice of the DIY, said: "They were involved in the G-30-S/PKI, in Category C-2. This is based on an investigation by the Provincial Special Branch in about 1974."

Sarwono said that the action to purge state employees considered to have leftist leanings was in accordance with instructions from the minister of justice, which were issued in March 1986. This purge which has been ordered must be completed in fiscal year 1986/87. The Department of Justice has been placed in the category of a vital installation and must be clear of PKI remnants.

Minister of Justice Ismail Saleh said that the list of those involved in the PKI came from the Security and Order Command [KOPKAMTIB]. He himself did not remember precisely how many employees of the Department of Justice were affected by the purge. According to one source, most of them are prison officials. As a result, at present there is a shortage of prison employees.

To resolve this shortage of prison employees, Ismail Saleh confirmed that retired enlisted and non-commissioned officer personnel of the Indonesian Armed Forces will be appointed to these positions. Ismail Saleh said: "These retired personnel will be carefully selected, and only those who are still

young and strong will be chosen." They will be paid on a monthly basis for the period of 1 year, and this appointment can be extended five times.

Why retired military personnel? Aren't there many unemployed members of the work force? Ismail said that retired military personnel are ready to be employed in the security sector. Meanwhile, the crowds of people in the work force "would have to be trained first, and this would cost money. If they are employed, they would have to be trained," he said.

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TAIWAN LNG TALKS NEARING CONCLUSION

Jakarta KOMPAS in Indonesian 2 May 86 p 2

[Text] Jakarta, KOMPAS--Discussions on liquified natural gas [LNG] between Indonesia and Taiwan are nearing a conclusion. K. A. Endin, chief of the Bureau of Community and Foreign Relations of Pertamina, answered questions from a KOMPAS representative in Jakarta on 1 May.

He said that the discussions on prices not only concerned the LNG to be sold to Taiwan but also liquified natural gas to be marketed in Japan and South Korea. The price in effect for the three countries will be the same.

K. A. Endin was not prepared to provide details on the price standards which would be adopted in the future. However, he added, these standards would not be much different from those in effect up to now. That is, they link the price of LNG to about 90 percent of the average prices of Indonesian petroleum exports. Furthermore, these prices would be related to the development of inflation and a basket of currencies.

About 2 Million Tons

It is estimated that Taiwan will import about 2 million tons of LNG from Indonesia to meet its growing energy needs. In that connection Indonesia will construct a fifth production unit (Train E) alongside the four other already existing production units in Bontang, East Kalimantan.

It is anticipated that the fifth production unit will turn out about 1.5 million tons of LNG annually, which amounts to about 28 shiploads of LNG per year. However, because this production unit will use steam turbines, like the four other units, the capacity of the fifth unit can be increased to the equivalent of 40 shiploads of LNG per year. The contents of one shipload of LNG is equal to about 124,000 cubic meters.
Plans for the construction of the fifth production unit have long been under development by Pertamina. Originally, it was estimated that the contract of purchase would be signed around the end of 1985. However, with the decline in the price of oil, discussions stagnated, although Taiwan had begun to make preparations for this trade by building a terminal and tanks to receive the LNG.

According to present plans, if the construction activity in the two countries goes smoothly, it is hoped that the first shipment of LNG from Indonesia will be made around the end of 1989.

Commitment

According to K. A. Endin, LNG constitutes an Indonesian commitment to increase the export of oil and natural gas, because this country has sufficiently large natural gas reserves which are not yet being fully used. Furthermore, the export of LNG is not affected by OPEC quotas, as in the case of petroleum.

In addition to Bontang, Indonesia obtains LNG from the Arun field in North Sumatra. These natural gas reserves should also be used for exports in the form of LNG to South Korea in the near future. For this purpose a sixth production unit now under construction in Arun is expected to be completed by the end of 1986. Regular exports of LNG can be carried on by the beginning of 1987.

However, Endin said, to test the receiving terminal in South Korea, a trial shipment is planned for July 1986.

He commented: "The sixth production unit will not be completed until the end of 1986. However, to meet the needs of South Korea, LNG does not necessarily have to come from that unit."

He declared that in meeting Japanese LNG consumption, supplies have been provided by the Bontang and Arun facilities. It has been possible to increase the level of production because, on average, the respective units have been operating in excess of capacity and can support each other.

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CSO: 4213/153

ASSESSMENT OF INVESTMENT CLIMATE REPORTED

Jakarta SINAR HARAPAN in Indonesian 2 May 86 p 11

[Text] Jakarta, 2 May--The present business climate in Indonesia is unattractive for foreign and domestic investors, particularly because of the Indonesian economic recession which is still going on.

This view was expressed by Prof Dr Engr M. Sadli, chairman of the Institute for Economic Development, Research, and Education (LP3E) of the Indonesian Chamber of Commerce and Industry [KADIN], in BULLETIN KADIN INDONESIA, which was published on 30 April 1986.

At present there is a tendency for foreign capital investors, particularly from Japan, the United States, and Australia, who have previously invested capital in Indonesia, to feel compelled to withhold further investment because prospects for profit are beginning to decline. Indeed, many joint ventures between Indonesian and Japanese firms reportedly are suffering losses.

In addition, there is a fear among foreign bankers about the future of the Indonesian economy, particularly since the decline of oil prices on the international market.

At present the business climate in Indonesia is rather unattractive, because of the continuing domestic recession.

The industrial sector is suffering from weaknesses in the people's purchasing power because of the continuing recession and the continued existence of the system of monopoly.

He said: "Industrial firms which need raw materials are no longer always free to import them. Indeed, they must buy their raw materials through a domestic consortium which consists of state and private firms which charge high prices."

The intentions of the government may be good. However, the fact is that raw materials are becoming increasingly expensive, so that production costs are also rising. As a result, goods produced by Indonesian industry cannot compete on the international market.

At present a number of Japanese business firms involved in joint capital investment projects in the steel products industry are beginning to sell their shares to their Indonesian associates. This is also the case with an Australian-Indonesian joint venture in the asbestos sector, which is taking the same action.

Sadli said: "In addition, a United States firm involved in a joint venture in the textile, estate agriculture, and glass sectors has also sold its shares to its Indonesian business associates."

Several Steps Taken

To encourage investors to place their capital in Indonesia, the government has taken several steps, including simplifying the regulations and licensing procedures of the BKPM.

Although the government has made several efforts in this direction, the flow of capital investment, particularly from foreign countries, does not yet appear to have increased.

He said: "If the government does not give additional fiscal incentives to new foreign and domestic investors, because the laws do not permit this, it must find a solution to deal with these disincentives."

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BIOGRAPHIC INFORMATION ON INDONESIAN PERSONALITIES

[Unless otherwise noted, the following information on Indonesian personalities has been extracted from Indonesian language sources in Jakarta.]

COL WASIS NINDITO--The post of chief of the Navy Information Service was turned over on 10 April from Navy Colonel Soemadi, the incumbent, to Navy Colonel Wasis Nindito, his replacement, at a ceremony held in Ciptadiloka Hall where the badges of rank were pinned on the new chief of the Navy Information Service. Navy Colonel Wasis Nindito, who was born in Cilacap [Central Java] 52 years ago, graduated from the Navy Academy in 1960 and has served as commander of the Indonesian Navy Ships Hiu, Hasanuddin, Imam Bonjol, and Dewaruci, the training ship. In his last position before being appointed chief of the Navy Information Service, Navy Colonel Wasis Nindito was inspector of the Military Sea Traffic Command. He had previously attended the Navy Anti-Submarine Torpedo School, the Naval Artillery Skills Course in the Soviet Union, the Air Combat Course, the Navy Command and Staff School, and the Management Systems Course in the Department of Defense and Security. [Text] [Jakarta PELITA in Indonesian 12 Apr 86 p 2] 5170

COL IGNATIUS IMAM KUSENO MIHARDJO--Col Ignatius Imam Kuseno Mihardjo (49 years old) was installed in office on 21 April as the director general of Catholic community development by Minister of Religion H. Munawir Sjadzali, at a ceremony held in Jakarta. Colonel Mihardjo replaces Ignatius Djoko Moeljono, who had completed his tour of duty in the position. Before entering the service of the Department of Religion Colonel Mihardjo had served in the Social and Political Planning Section of Indonesian Armed Forces Headquarters. He had served as Indonesian defense attache in France and at present is also a member of the MPR [People's Consultative Assembly]. After graduating from senior high school he attended the Army Technical Academy/National Military Academy, graduating in 1960; the Joint Artillery Course (1961); the Engineer Training Course (1969), and the Army Staff and Command School (1971). [Excerpts] [Jakarta SUARA KARYA in Indonesian 22 Apr 86 p 11] 5170

BRIG GEN ALI GENO--On 21 April Army Chief of Staff General Rudini presided over the installation in office of Brig Gen Ali Geno as commander of Military Region II/Bukit Barisan, at a ceremony held in Medan [North Sumatra]. Brig Gen Ali Geno replaces the late Maj Gen Djarot Supadmo, who died, along with five other officers, in the crash of an Alouette II helicopter on 28 February. Brig Gen Ali Geno was born on 20 September 1935 in Cirebon [Central Java]. He

graduated from elementary school in 1949, junior high school in 1953, and senior high school in 1956. Before entering the military service he was a student at the Faculty of Agriculture in Bogor [West Java]. He graduated from the military academy in 1960, majoring in technology; took the Engineer Officers Course in 1968; basic paratroop training in 1969; infantry refresher training in 1970; the Army Staff and Command School in 1973; Wellington Staff College in India in 1974; the Indonesian Armed Forces Mental Development Course in 1975; and the Joint Staff and Command School in 1976. During his military service Brig Gen Ali Geno has spent most of his time in North Sumatra. He was commander of Combat Engineer Battalion I in Medan in 1976, deputy assistant to the chief of staff of Military Region II/Bukit Barisan in 1973, attended the Wellington Defense Services Staff College in India in 1974, was deputy commander of the regiment in Pematangsiantar assigned to Military Region II/Bukit Barisan in 1975, inspector general of Military Region II/Bukit Barisan in 1977, assistant for operations to the chief of staff of Military Region II/Bukit Barisan in 1978, regimental commander in Bukittinggi [West Sumatra] in 1979, chief of staff of Military Region III/17 August, and, beginning on 1 April 1985, chief of staff of Military Region II/Bukit Barisan. On 5 January 1962 he married Maharani in Medan; they have four daughters and two sons. He enjoys volleyball, swimming, golf, and tennis. Brig Gen Ali Geno, in his other position as deputy general chairman of the North Sumatra Branch of the Indonesian National Sports Committee, is quite active in developing various branches of sports activity. He is also on close terms with the press. [Excerpts] [Jakarta KOMPAS in Indonesian 24 Apr 86 pp 1, 12] 5170

BRIG GEN ALEX SUSENO--Brig Gen Alex Suseno took the oath of office as the new inspector general of the Department of Transmigration at a ceremony held in Jakarta on 21 April. He replaces Brig Gen Bambang Soemantri, the former incumbent in this position. Brig Gen Alex Suseno is an infantry officer. He was born in Geumpang (Aceh) 55 years ago. He and his wife have had eight children, one of whom has died. He speaks English and Dutch and has a reading knowledge of French. [Excerpts] [Jakarta PELITA in Indonesian 24 Apr 86 p 12] 5170

COL PRAMONO SUMANTRI--The post of chief of staff of the Indonesian Eastern Region Fleet, which until now has been held by Commodore W. Rahadi, was recently transferred to Navy Col Pramono Sumantri, his replacement, at a simple ceremony at the Hiu Kencana Candrasa Hall in the Ujung area of Surabaya [East Java]. Commodore W. Rahadi will leave Surabaya shortly for his new position as assistant Navy chief of staff for planning and budget affairs, in Navy Headquarters in Jakarta. Navy Col Pramono Sumantri was previously commander of the Navy Base in Ambon [Maluku]. [Excerpts] [Jakarta HARIAN UMUM AB in Indonesian 2 May 86 p 6] 5170

COL PIETER DAMANIK--The post of chief of the Indonesian Armed Forces Information Service was transferred from Navy Commodore Emir Hamzah Mangaweang, the incumbent, to Col (Infantry) Pieter Damanik, his replacement, at a ceremony held in Jakarta on 24 April. Commodore Emir Hamzah Mangaweang has been appointed assistant for logistical affairs on the Indonesian Armed Forces General Staff, while Col Pieter Damanik had previously been assigned to the Security and Order Command. Col Pieter Damanik was born 18 October 1934

in Pematangsiantar [North Sumatra]. He is married and the father of three children. His highest civilian schooling included attendance at the Domestic Government Academy from 1956-59. His military training included attendance at the Officers Candidate School, 1956-60; the Higher War School in the Netherlands, equivalent to the Indonesian Army Staff and Command School, 1973-75; the Army Staff and Command School Orientation Course in Bandung, 1975-76; and the defense attache course in 1981. Colonel Damanik has served in a number of positions at Army Headquarters, in various military regions, and at Armed Forces Headquarters. He was chief of the Information Service in Military Region XII from 1966-69 and Indonesian defense attache in Great Britain from 1981 to 1985. [Excerpts] [Jakarta HARIAN UMUM AB in Indonesian 25 Apr 86 pp 1, 3] 5170

COL AMINULLAH IBRAHIM--The post of chief of staff of the Indonesian Marine Corps was recently transferred from Brig Gen (Marine Corps) M. A. Tambunan, the former incumbent, to Colonel (Marine Corps) Aminullah Ibrahim. The transfer ceremony was held in the presence of the commandant of the Marine Corps, with all of the senior officers of Marine Corps Headquarters attending. Col (Marine Corps) Aminullah Ibrahim was born in Banyuwanggi [East Java] in 1937. He graduated in the seventh class from the Navy Academy in 1960 and attended various training courses in the United States and the Soviet Union. His military training courses included attendance at the Joint Staff and Command School in 1978 and the course for members of Parliament in 1985. Before becoming chief of staff of the Marine Corps, he held a number of important posts, including that of assistant for intelligence and later for planning to the commandant of the Marine Corps, commander of the Marine Corps Training Center, and commander of the Combat Development Regiment. His last post before assuming his new position was that of commander of Marine Infantry Brigade 1 in Surabaya [East Java]. He married Priyati Siri Laksmi in 1968; they have four sons. [Excerpt] [Jakarta HARIAN UMUM AB in Indonesian 2 May 86 p 6] 5170

NAVY COMMODORE MUHAMAD ARIFIN--Rear Adm Gatot Soewardi transferred his duties as commander of the Indonesian Eastern Region Fleet to Navy Commodore Muhamad Arifin at a ceremony held at the Navy Base at Ujung, Surabaya, on 3 May, in the presence of General L. B. Moerdani, the commander of the Indonesian Armed Forces. Commodore Muhamad Arifin (49 years old) graduated from the Navy Academy in 1960. He has served as commander of the Indonesian Navy Ship Martadinata and as assistant for intelligence to the commander of the Indonesian Fleet. His military training has included attendance at the Navy Staff and Command School, the Joint Staff and Command School, and the National Defense Institute. He has also had specialized training overseas in naval gunnery. He is married and has two sons. [Excerpts] [Jakarta KOMPAS in Indonesian 5 May 86 p 12] 5170

COMMODORE HERMAN JOSEPH WAGIMAN--Commodore Basoeki, commander of the Military Sea Traffic Command, turned over his duties to Commodore Herman Joseph Wagiman, his replacement, at a ceremony held at the Navy Base in Ujung, Surabaya, on 3 May, in the presence of General L. B. Moerdani, commander of the Indonesian Armed Forces. Commodore Herman Joseph Wagiman was born in Kolonedale, Sulawesi, 51 years ago. His military training has included attendance at the Navy Academy, the Navy Staff and Command School, and the

Joint Staff and Command School. His duty assignments have included the positions of chief of staff of the Amphibious Forces Command, commander of the Fleet Training Command, assistant for planning in the Indonesian Fleet, chief of staff of Navy Region 3, and deputy commander of the Navy Training Command. [Excerpts] [Jakarta KOMPAS in Indonesian 5 May 86 p 12] 5170

REAR ADM IMAM TAUFIQ--Commodore Roesdi Roesli, commander of the Indonesian Western Region Fleet, turned over his duties to Commodore Iman Taufiq, at a ceremony held at the Navy Base in Ujung, Surabaya, on 3 May in the presence of General L. B. Moerdani, commander of the Indonesian Armed Forces. Rear Adm Imam Taufiq (49 years old) graduated from the Navy Academy in 1959. He has previously served as chief of staff of Navy Region 3, assistant for operations in the Department of Defense and Security and in Military Area 1, has been a squadron commander in the fleet and has worked in Navy Headquarters. [Excerpts] [Jakarta KOMPAS in Indonesian 5 May 86 p 12] 5170

LIEUTENANT COLONEL HOLKI--The post of commander of the Pekanbaru Air Force Base in Riau Province was transferred on 7 May from Col Amir Hasyim to Lieutenant Colonel Holki at a ceremony held at Pekanbaru Air Force Base in the presence of Air Vice Marshal Imam Soewongso, the commander of Air Operations Command I. Lieutenant Colonel Holki (41 years old) is a 1967 graduate of the Air Force Section of the Indonesian Armed Forces Academy (now the Air Force Academy). He began his military career as a fighter pilot in Wing 300 in the Jakarta Air Defense Command. He was later stationed as a fighter pilot at Iswahyudi Air Force Base in Madiun [East Java] and was commander of Squadron 14. Immediately prior to becoming commander of Pekanbaru Air Force Base he was assigned to the National Air Defense Command in Jakarta. His highest level military training included attendance at the Command and General Staff School in the United States. [Text] [Jakarta SINAR HARAPAN in Indonesian 9 May 86 p 3] 5170

AIR VICE MARSHAL (RET) R. A. WIRIADINATA--Air Vice Marshal (Ret) R. A. Wiriadinata, known as the founder of the Air Force Commandos [PGT] and who was a member of the Supreme Advisory Council, died on 23 May in Jakarta at age 66. Air Vice Marshal Wiriadinata was born in Sumedang [West Java]. At the beginning of the Indonesian struggle for independence he was widely-known as the commander of the "Garuda Mulya" [Noble Garuda] guerrilla force. Between 1945 and 1949 the deceased served in an Indonesian Air Force unit and in the Senopati 105 Sharpshooters in the Surakarta area. During this period he was also active in the Maguwo, Bugis, and Panasan areas. During his career in the Indonesian Air Force the deceased held a number of positions, including those of commander of Husein Sastranegara Air Force Base, commander of the Indonesian Air Force Base Defense Command, inspector general of the Indonesian Air Force, commander of the Joint Indonesian Armed Forces Paratroop Training Command, and commander of the Air Force Commandos. After retiring from the Indonesian Air Force the deceased held several positions, as deputy governor of Jakarta, executive director of the Pola Building, member of the Supreme Advisory Council, and member of the People's Advisory Council. He was a member of the Boards of Directors of Bandung Institute of Technology, Pajajaran University, and the Bandung Teachers Training Institute. [Excerpts] [Jakarta HARIAN UMUM AB in Indonesian 26 May 86 p 2] 5170

BRIG GEN BASOFI SUDIRMAN--Maj Gen Saiful Sulun, commander of Military Region V/Brawijaya, presided over a change of command ceremony held on 16 May at Rampal Field, Malang [East Java], involving the post of commander of Regimental Command 083/Baladhika Jaya. Brig Gen Muhammad Basofi Sudirman, the former incumbent, transferred his duties to Colonel Muthojib, his replacement. Colonel Muthojib had previously been commander of Regimental Command 131/Santiago, in North Sulawesi. After relinquishing his post as commander of Regimental Command 083/Baladhika Jaya Brig Gen Basofi Sudirman was promoted to be chief of staff of Military Region I/Bukit Barisan in Medan [North Sumatra]. He is the third eldest of six brothers and sisters, the son of Lieutenant General (Retired) Sudirman. Brigadier General Basofi was born in Bojonegoro (East Java) 46 years ago. He graduated from the National Military Academy in 1963, from the Army Staff and Command School in 1978, and from the Joint Staff and Command School in 1979. From 1973 to 1974 he was commander of the Garuda Detachment in the Middle East and of Infantry Battalion 512 in Malang. From 1979 to 1981 he was an instructor at the Army Command and Staff School in Bandung. From 1981 to 1983 he was commander of the Air Defense Brigade in Malang. From 1983 to 1984 he was assistant for reserve affairs in Military Region V/Brawijaya in Surabaya. From 1984 to 1986 he was commander of Regimental Command 083/Baladhika Jaya in Malang. He married Maryani Isnoma in 1965; they have three children: Linda, a student in the Faculty of Economics of Malang Merdeka University; Charif, who is attending senior high school; and Fia, who is attending junior high school. [Excerpts] [Jakarta KOMPAS in Indonesian 21 May 86 p 9] 5170

MAJ GEN NAYA ISKANDAR--Maj Gen Naya Iskandar, the chairman of Committee 11 of Parliament, died of heart disease on 21 May at Army Central Hospital in Jakarta. The late Naya Iskandar was born in Garut, West Java, on 14 August 1927. In addition to serving as chairman of Committee 11, the deceased had been deputy chairman of Special Committee 5 on the Draft Political Law. During his life the deceased had been active in the military. After the proclamation of independence and from 1948 to 1960 he was successively a member of MBKD [Headquarters, Java Command], of Staff Section I of the Siliwangi Division, an officer of Section I acting as adjutant to the commander of the Siliwangi Division, and a company commander in Battalion 320. From 1961 to 1971 he was successively deputy inspector in Military Region V/Jakarta, deputy chief of staff, and chief of staff of Military Region V/Jakarta. From 1973 to 1981 he was successively commander of the Intelligence Task Force in the Security and Order Command, deputy chief of the Strategic Intelligence Center, chief of staff of Military Area II, and assistant for reserve affairs in the Department of Defense and Security. He had been a member of Parliament since 1982. [Excerpts] [Jakarta HARIAN UMUM AB in Indonesian 23 May 86 pp 1, 7] 5170

CSO: 4213/154

INDONESIA

TAIWAN, THAILAND GRANTED FISHING RIGHTS IN EEZ

Jakarta SINAR HARAPAN in Indonesian 3 May 86 p 11

[Text] Jakarta, 3 May--Director General of Fisheries R. Soeprapto stated that Indonesia has given permission to Taiwan and Thailand to catch fish in Indonesia's Exclusive Economic Zone (EEZ) for a period of 1 year. 14 fishing boats of Taiwan registry of between 100 and 200 Gross Tons are ready for operations, while Thailand has 4 ships of 200 to 300 Gross Tons, out of 5 ships proposed to Indonesia.

Outlining the principal elements of basic development policy in the fishing subsector to the Reporters Appreciation Unit of the Department of Agriculture on 2 May, he added that the two countries had carried out their obligation to pay "fees" to Indonesia for the fishing rights. In the case of Taiwan the fee paid was $137,000, and in the case of Thailand it was $36,000. He added that Romania has recently submitted a request for a license for a fishing ship of 1,500 Gross Tons.

Soeprapto said that the Indonesian Government continues to provide an opportunity to other countries to catch fish in the Indonesian EEZ, provided that no more than 400 fishing boats may use the potential of the EEZ, which is estimated at 2.7 million tons of fish per year. Indonesia only uses 1.8 percent of the potential of the EEZ.

He stated that the EEZ is composed of territorial waters owned by the riparian state and is 200 nautical miles from the base line from which the territorial sea is measured. Countries which have an EEZ are sovereign over the resources of these waters and the contents of the ocean floor in the zone.

Soeprapto said that it is the obligation of the country having the EEZ to provide an opportunity to other countries to use it when it is not yet able to make use of all of its natural resources. Priority is given to landlocked countries, those which have a shoreline facing the sea but without resources, countries which derive their living from the sea, and countries involved in catching fish far from their shores, such as Japan, the director general of fisheries added.

Procedure Simplified

The use of the EEZ, which has begun to increase recently, cannot be separated from the simplification of the procedures for the issuance of licenses. In the case of Indonesia 38 government agencies are involved, including the Directorate of Maritime Communications, the Ministry of Manpower, the Ministry of Commerce, the Directorate General of Immigration, and the Indonesian Police. This number will be reduced to two agencies directly involved in the issuance of licenses.

From now on licenses will be issued only by the Directorate General of Fisheries after it obtains a security clearance from the Strategic Intelligence Body (BAIS). Therefore, the policy which will now be implemented is more efficient, compared to the previous policy, he said.

It is hoped that Indonesian private fishing firms can cooperate with foreign companies which own ships, if the Indonesian private companies do not own ships. Soeprapto added: "There will be no middlemen involved in handling the issuance of permits."

With the simplification of the licensing procedure now in effect, when foreign or Indonesian fishing boats catch fish, it will no longer be necessary to enter a harbor to report the catch. It will be sufficient to use radio communications to make the necessary reports.

However, he warned that foreign ships must continue to follow the regulations on not catching fish outside the EEZ. He said: "If they go outside the EEZ, where they are licensed to operate, they will be fired on. So they may not violate the regulations."

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CSO: 4213/153

INDONESIA

LAND EARMARKED FOR TRANSMIGRATION-PIR

Jakarta PELITA in Indonesian 22 Apr 86 p 3

[Text] Eng Hasjrul Harahap, junior minister for perennial crops (UPPTK), stated that 250,000 hectares have been set aside in various transmigration areas all over Indonesia in an effort to implement the Transmigration-PIR (Smallholders' Nuclear Estates) program.

Hasjrul Harahap made that statement in Jakarta today after meeting with Minister of Manpower Sudomo at the latter's office.

Hasjrul said that sufficient land has been set aside for the transmigrants. The transmigrants to be settled on this Trans-PIR land will handle agricultural commodities such as oilpalms, coconuts and chocolate.

Labor for the processing of such commodities will be trained by the Department of Manpower, "for example, to process the fruit of the oilpalm. Areas involved in the Trans-PIR program cover almost all of Indonesia, including Aceh, Riau, South Sumatra, Bengkulu, Kalimantan and even as far as Irian Jaya," said Hasjrul.

Training the Transmigrants

In response to a question from PELITA, the minister said that the Department of Labor will train the transmigrants involved in this program at the Training Centers (BLK) owned by the ministry.

As is well known, this program is being implemented in conformity with INPRES [presidential instruction] No 1/86, which involves 19 government agencies. Instruction No 1/86 was issued as part of the government's effort to improve the PIR program involving transmigrants, which was considered not too advantageous for future transmigrants. It is hoped that the new pattern will be able to give participants in the Trans-PIR projects a better future.

Carried out by Manpower Training

Meanwhile, Minister of Manpower Sudomo, who accompanied Hasjrul Harahap, said that up to now transmigrant labor has been recruited by the Department of Transmigration alone, but that from now on it would be recruited through

manpower training; in this way planning for transmigrant manpower can be done in the best way possible.

In addition, Sudomo said, the transmigrants will be trained before leaving. This matter was included in the joint executive order issued by the minister of manpower and the minister of transmigration; all that remains is to coordinate their efforts. A SATGAS (special task force) to handle this problem will be created, he said.

9846
CSO: 4213/147

INDONESIA

RIAU TRANSMIGRATION PROJECT DELAYED

Jakarta SINAR HARAPAN in Indonesian 3 May 86 pp 1, 12

[Text] Pekanbaru, 1 May--A total of six contractor firms involved in the Riau Province transmigration project have had their names removed from the list of construction companies approved by Minister of Transmigration Martono because they were unable to complete their work within the time provided for in their contracts. This was stated by Genot Suryowiyono, chief of the Riau Provincial Transmigration Office, to the press in Pekanbaru on 1 May.

Two of the firms struck from the list are owned by businessmen in Jakarta.

Genot admitted that delays in preparing the ground were caused, among other things by weather conditions. He said: "However, the contractors involved should have known about this situation."

He said that in Riau at present 52,584 families have been resettled, out of a target of 75,373 families. The transmigrants are spread out in regencies such as Kampar, Indragiri Hulu, Indragiri Hilir, and Bengkalis.

2 Percent

He said: "Meanwhile, the transmigrants who have returned to their former homes amount to only 2 percent of the total." He did not provide any details on the total number who have left the resettlement centers nor which centers were involved.

The chief of the provincial transmigration office also explained that a number of the problems which have been encountered involve delays in the preparation of the land, unhealthy conditions, problems with pests, and locations which cannot be used.

Genot also said that in Riau there are several transmigrant families of criminals and former political detainees involved in the G-30-S/PKI. Although there are only a few of them, we must be vigilant because of their very broad impact on the community, he added.

He said that handling the transportation of transmigrants from their areas of origin to their new places of residence is not an easy matter. Furthermore,

the selection of the transmigrants takes a rather long time to ensure that, as soon as they are resettled in new homes, they will be able to adapt themselves to their new surroundings. However, in fact there are just a few people who create unrest and who like to make noise. Genot said that there are very few people like that.

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CSO: 4213/153

ACCORD ON INKOPERINDO SIGNED, NAME CHANGED TO INKOPAR

Jakarta SINAR HARAPAN in Indonesian 10 May 86 p 11

[Text] Jakarta, 10 May--The crisis between SPSI (All Indonesian Union of Workers) and INKOPERINDO (Indonesian Workers Cooperative Center) was declared settled on 10 May with the signing of a joint agreement. The agreement was signed by Agus Sudono, the general chairman of INKOPERINDO; Dr J. Imam Sudarwo, the general chairman of the Central Executive Council of the SPSI; Dr Soeprapto Boedjosastro, the general chairman of the Central Executive Council of APINDO/KADIN [Indonesian Plastics Industries Association/Indonesian Chamber of Commerce and Industry]; Professor Doctor Sudjanadi, the director general of the Institute for Cooperative Development of the Department of Cooperatives; and H. B. Manan, the director general of community development in the Ministry of Manpower.

In the joint agreement it is stated that, in accordance with the joint letter of decision of the ministers of cooperation and of manpower No 80/M/Kpts/1983 and No 236/Men/1983, dated 22 October 1983, INKOPERINDO, as an organization of workers, does not come under, nor is it responsible to the business firm or to the SPSI.

As seen from the point of view of the workers, there is a close association between the cooperative, the company, and the local union of the SPSI. To make a success of the mission of INKOPERINDO, there should be consultations and cooperation between the SPSI, APINDO/KADIN, and the government.

With the signature of this joint agreement, the INKOPERINDO problem has been completely resolved and does not need to be raised again.

Minister of Manpower Sudomo himself witnessed the signing ceremony, in addition to a majority of the members of the Central Executive Council of the SPSI and of INKOPERINDO.

No One Was Defeated

In his speech on the occasion Minister Sudomo said that the joint agreement was the result of mutual discussions and consultations, leading to a consensus between the parties involved and various agencies of the government concerned, as well as the minister of cooperatives. Indeed, guidance was obtained from

President Soeharto and Sudharmono, the general chairman of the Central Executive Council of GOLKAR.

Sudomo said that in fact the purposes of all of these organizations are good. However, in their approaches to each other a misunderstanding had arisen. This was expanded by the press, and many people expressed their views on it. Now no one has been defeated, and no one has won, Sudomo stated.

Agus Sudono, the general chairman of INKOPERINDO, told the press that the organization has changed its name to INKOPKAR (Employees Cooperative Center). The present leadership will serve for the period from 1986-91, with the support of the ministers of cooperatives and manpower. Their advisers will be Prof Dr M. Sadli and Prof Dr Harun Zain.

With the signing of this agreement Agus Sudono continues to serve as general chairman of INKOPKAR, and he will not be under the SPSI.

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CSO: 4213/153

INDONESIA

IRRIGATION PROJECTS IN KALIMANTAN

Jakarta KOMPAS in Indonesian 23 Apr 86 p 9

[Text] Many of the irrigation projects built by the PU (public works office) in Central Kalimantan are not being utilized by the local people.

Eng Patris Sera, head of the irrigation service of the provincial branch of the PU made this statement in his office last Tuesday, 15 April, in response to questions from KOMPAS.

Only about 50 percent of the PU's irrigation projects, which are capable of irrigating 80,000 hectares, are really being utilized by the local people. The remainder are being neglected and wasted. Part of the Central Kalimantan ricefields--75,000 hectares--are tidal ricefields and the remainder are swamp ricefields, not tidal.

Patris Sera admits that the irrigation projects built by the PU are little utilized, explaining that in some areas the farmers have more profitable means of livelihood. For example, a small-scale irrigation project capable of irrigating 687 hectares was built in Terinsing, North Barito county, but only a small part of it is used by the local people. The majority of the people in that area prefer to search for gold near where they live.

Controlled by City People

Another case, said Patris Sera, occurred at the edge of Pangkalan Bun, the capitol of West Kotawaringin county. An irrigation project capable of irrigating 500 hectares was built on the Bamban River. It turned out the local farmers did not make use of the project because their land had been bought by people from the city and by government officials.

No explanation was given as to why the new owners did not want to work the land they had bought. Sera just said that the prospective fertile riceland had been neglected and that the irrigation project built by the PU had been wasted.

In another instance, a project capable of irrigating 710 hectares, including 500 hectares for transmigrants, was built some years ago in Gohong Rawai, Kapuas county. No transmigrants have entered the area yet. Of the remaining 210 hectares of irrigated land only about 10 hectares are being used by the local people.

"Most of the local people are unable to cut down the forest for mechanical irrigation," said Partis Sera.

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CSO: 4213/147

JPRS-SEA-86-120
21 July 1986

CHANCE OF KODECO PULLING OUT OF OFFSHORE OILFIELDS REPORTED

Jakarta KOMPAS in Indonesian 23 Apr 86 p 2

[Text] Indonesia is going to take back the Madura offshore oilfields, managed up to now by the Korean oil company Kodeco, if that company actually pulls out. As is customary, any company which pulls out of an operational area must return that area to the government, in this case to PERTAMINA [National Gas and Oil Company].

A PERTAMINA source made this statement in Jakarta yesterday in response to questions from KOMPAS about the report that Kodeco might pull out. The Madura offshore contract area is being worked in cooperation with PERTAMINA as a result of a 1981 joint contract.

After some exploration, Kodeco found oil in that area about 2 years ago. Initial production was economically profitable, about 11,000 barrels a day. However, production has declined and is now estimated at only 2,000 barrels a day.

Might be Abandoned

A source at the Ministry of Energy and Resources in Seoul, quoted in Reuters, revealed that the government of Korea might abandon that oilfield, which is still producing, if it is really no longer economical.

Starting this week, Korea has therefore decided to offer other foreign companies the chance to study the economic feasibility of that oilfield.

"If the results of those studies are negative, South Korea will pull out."

Has not Heard that Report

Mr Choi of the Korean embassy in Jakarta said yesterday that he had not yet heard that report. However, he confirmed that Kodeco's production had declined recently; in an effort to get more information the company is still carrying out explorations in that area.

When Kodeco was contacted by KOMPAS for confirmation of this report, they were not bold enough to comment.

9846
CSO: 4213/147

LAWYER WITHDRAWS APPEAL ON DISBARMENT

Jakarta SUARA KARYA in Indonesian 26 Apr 86 p 2

[Text] Adnan Buyung Nasution, SH [Master of Laws], has withdrawn his appeal to the Central Jakarta State Court. Buyung took this action yesterday through his legal advisors Luhut Pangaribuan, SH, and Mas Achmad Santosa, SH.

Luhut said that one reason for this withdrawal was that the letter from the head of the Central Jakarta State Court advising the Minister of Justice to revoke Buyung Nasution's license to practice law had changed in character. It took the form first of an administrative decision and then of a report from the heads of the High Court, the Supreme Court and the Minister of Justice.

The legal basis for this change is Law No 2 of 1986 on general justice. According to the law and the nature of report, there is no need for an appeal. Only a judicial decision can be appealed, and the administrative decision was changed to a general report.

Besides, there are no guidelines for the length of time, the forum, and the operating procedures for appealing an administrative decision. This means that the 1-month period fixed for filing an appeal has no legal basis.

Luhut said that the lack of a forum and an operating procedure for appealing an administrative decision means that at the next level up there is no guarantee that there will be an open examination of the case in an objective and unbiased forum.

The Central Jakarta State Court's administrative decision was issued in connection with Nasution's contemptuous attitude towards the court.

Buyung showed contempt of court in defending Let Gen (ret) H. R. Dharsono, (sentenced to 10 years in prison--ed), who was being tried for subversion by the Central Jakarta State Court's tribunal, headed by Sudiyono, SH (now superior judge in Medan--ed).

At Dharsono's trial, Buyung acted impolitely, grabbing the microphone away from the tribunal of judges when the chief judge was reading out the verdict. Because of that, the tribunal, headed by Sudiyono, complained of contempt of court to the head of the Central Jakarta State Board, a position now held by Subandi, SH. The complaint was then forwarded to the Minister of Justice and to the chairman of the Supreme Court in the form of an administrative decision issued on 17 March 1986.

9846
CSO: 4213/147

BRIEFS

NEWSMEN INVOLVED IN G.30.S/PKI--Commission I of the DPR [Parliament] has suggested that reporters planning to become members of the PWI [Indonesian Journalists Association] should be thoroughly investigated in hopes of preventing further cases like that of the three Balinese reporters involved in the G.30.S/PKI [30 September Movement/Communist Party of Indonesia]. The committee's spokesman, Ipik Asmasubrata of the FPDI [Indonesian Democracy Party Faction], conveyed this suggestion to the plenary session of the DPR, headed by its deputy chairman H Nuddin Lubis at the DPR building in Jakarta yesterday. Commissions II, III, IV, V and VI also conveyed reports of their working visits to the provinces during the recent recess. Commission I, whose area is information, defense, security and foreign affairs, said that one of the organizational working programs of the Balinese branch of the PWI is to regulate its members in accordance with the procedural instructions issued by the central office of the PWI. Commission I, which visited Bali and Nusa Tenggara during the recent recess, said that based on evidence presented by the authorities, in 1985 there were three temporary reporters in Bali who had been involved with the G.30.S/PKI, and one of them had become a member of the PWI. [Text] [Jakarta HARIAN UMUM AB in Indonesian 23 Apr 86 pp 1, 3] 9846

NEW ARMY ENGINEER ORGANIZATIONS--Yesterday the TNI-AD [Indonesian National Army] formed a new organization within the Army Engineering Corps: the Construction Engineers Regiment, consisting of four [as published] army engineers battalions--a nuclear, biological and chemical company (NUBIKA) and an explosives company. Brig Gen Hadi Sunaryo, director of the Army Engineers Corps, officially formed these three [as published] new organizations at the headquarters of the 13th Construction Army Engineers Battalion in Lenteng Agung, South Jakarta. The Construction Army Engineers Regiment (MENZIKON) constitutes the Central Implementation Board at the level of the TNI-AD Army Engineers Directorate to aid in the administration of nonbattle construction. Brig Gen Hadi Sunaryo said that TNI-AD leaders think that NUBIKA and the explosives company are needed for technical field services. He said that NUBIKA's task is to investigate and decontaminate nuclear, biological and chemical dangers and threats. The explosives company is responsible for dismantling explosives which threaten the safety of ABRI and non-ABRI control commands, organizations, installations, units and facilities. MENZIKON is headed by Col (CZI [Army Engineers Corps]) Wulang Asmadi. The commander of the NUBIKA company is Capt Eng Bambang S., and Capt (CZI) Puguh Santoso is head of the Explosives Company Command (KI-JIHANDAK). [Text] [Jakarta KOMPAS in Indonesian 23 Apr 86 p 12] 9846

CSO: 4213/147

PHILIPPINES

EDITORIALS NOT IMPRESSED BY NEWEST U.S. AID PLAN

ESF Dubious Status Hit

HK261523 Manila THE NEW PHILIPPINES DAILY EXPRESS in English 26 Jun 86 p 4

[Editorial: "The Reality of Aid"]

[Text] We should not, as Executive Secretary Joker Arroyo cautioned recently, "react with joy like jumping chimpanzees," now that an agreement has been signed by Vice President and Foreign Secretary Salvador H. Laurel and U.S. Secretary of State George Shultz on the release of the $200-million Economic Support Fund [ESF] of the bases agreement.

That package is part of the obligation of the U.S. for use of the American bases in the country, notably Clark Air Base in Pampanga and Subic Naval Base in Zambales. For under the 1983 agreement with the Marcos government, Washington pledged to provide $900 million military and economic aid. What has been signed in the Laurel-Shultz agreement comprised allocations for 1986 and an amount which was already appropriated but not yet disbursed. In short, Shultz did not come bearing glad tidings for the beleaguered country. If at all, the money due the Philippines was long overdue from the U.S.

But unless and until both the Philippine and U.S. Governments decide at the very highest levels what the ESF is, whether it is aid, as espoused by American policymakers, or rental money in payment of the American bases, notably Clark Air Base in Pampanga and Subic Naval Base in Zambales, as propounded by Filipino officials, including Arroyo, then we will continue to have all those misunderstandings and recriminations.

If, as some Filipino officials contend, the money is for rental of the bases, then the U.S. should have no say whatsoever on how the funds are expended. A fixed amount is appropriated, and the Philippine Government should not give any accounting to the U.S.

But since the U.S. considers the ESF aid money, then the U.S. Congress must see to it that the money is spent according to American law. In other words, there will be a host of individuals and agencies who will exhaust all measures to ensure that the use of the aid money will not prejudice the interests of American taxpayers.

In terms of realities, particularly in the local levels, money is husbanded by the USAID, which will require and approve every single step encountered in the release of funds. Even the auditing of the funds will be done not by the Commission on Audit of the Philippines or any of its instrumentalities but by the duly approved auditors of the U.S.

In short, many are saying that the Filipinos are reduced to the level of beggars in their own country, and the sad thing is that nothing much is being done about this--except for those choice quotes, like Arroyo's, every now and then.

Review of 'Special' Relations Urged

HK261517 Manila PHILIPPINE DAILY INQUIRER in English 25 Jun 86 p 4

[Editorial: "That U.S. Aid Package"]

[Text] The executive secretary put it most aptly--before we go overboard with joy like "jumping chimpanzees," let's first get our facts straight. The $200-million package which State Secretary Shultz will be presenting to the President sometime today is not aid. It's rent for America's use of military bases on Philippine soil.

Blame the initial confusion on media. Most everybody--especially the foreign media which seem to be sympathetic to Ms. Aquino, and to her alone--is trying hard to look for whatever signs of outside support are developing for the Philippines. And when so powerful a country as the U.S. outlays $200 million, we sometime tend to blur the facts, overlook background and exuberantly declare to the world that finally help is on its way to the embattled Aquino administration. Unfortunately, that's not true.

The $200 million that the U.S. has finally released is part of the $900-million compensation package which the Marcos regime managed to wangle from the Americans for their "unhampered" use of military bases in the Philippines. When word leaked out that the earlier rental payments had been misused by the same regime, a strong bloc on Capitol Hill and the State Department was able to work for the withholding of later releases. With Marcos gone and Ms. Aquino in power, the same U.S. legislators and policy-makers have decided the time was ripe for giving the money to the Philippines. And there's the rub.

Despite what many Filipinos think of their former dictator, the fact is we had that money coming to us--as stipulated in a pact signed by representatives of both countries. In short, we have nothing to be grateful for. Washington wasn't doing us a favor by finally deciding to pay us the rental that was due us in the first place.

The problem seems to be rooted in the United States' continued reluctance to recognize such payments as rentals. Earlier payments had been coursed through a yearly foreign aid law enacted by Congress which, in effect, completely ignores that our agreement to play host to U.S. bases is an accommodation on

our part, a gesture--if you wish--of our willingness to abide by our traditional alliance with the U.S. And since many U.S. officials think of the payments as "aid," they are convinced they have the right to deny us the money anytime they feel like it, notwithstanding existing pacts. Thus, there is this spectacle of U.S. officials trumpeting the delivery of "aid" to a newly democratic Philippines and feeling completely satisfied with themselves for handing us money that's actually ours.

The other problem now is: Should the Aquino administration sometime in the future make a decision that doesn't suit Washington's interests, will the U.S. Government stop payment of rent for the bases, too? Clearly, a definition of terms and a review of the "special" relations--which apparently only we, Filipinos regard as special--are in order.

'Redefinition' of Links Urged

HK251603 Manila THE NEWS HERALD in English 25 Jun 86 p 4

[Editorial: "'Special Relations' Need Redefinition"]

[Text] Is it rent or is it aid?

At first blush the difference of opinion between the Philippines and the U.S. over what to call the money the latter gives in exchange for being allowed to maintain bases and other military facilities here is a matter best left to semanticists to split hair over.

The U.S. insists it is aid, neatly tagging it the Economic Support Fund (ESF), because, as Assistant Secretary of State Michael Armacost in effect puts it, the Americans are reluctant to accept the idea of having to pay rent for the use of real estate of a country it is helping defend. Unfazed by the State Department rhetoric, the Philippine Government emphatically identifies as rent the money it gets for the bases. The Americans may be reluctant to call a spade a spade--for their own self-esteem, perhaps--but the undeniable fact as far as Filipinos are concerned is, the U.S. is keeping military bases in Philippine territory because their locations are strategically vital to its overseas network of defense. For that privilege it pays rent just as one who builds a house and lives on land not his own, the Filipino logic goes.

For the pragmatic, however, rent or aid it is money the Philippines can use. On that basis, why indeed quibble over what to call the bases money?

But Filipinos do not live by the American bread alone; they must have self-respect, too, which the U.S. has in more ways than one been begrudging its former colony with whom it now enjoys "special relations."

A good number of Filipinos who believe wholeheartedly in those so-called special relations must have gotten a nasty jolt, after cheering themselves hoarse at news that U.S. Secretary of State George Shultz was coming with $200 million worth of new financial aid for its good, old ally, from our Executive Secretary Joker P. Arroyo's wet blanket.

"Before we react with joy like jumping chimpanzees, we should know that what Secretary Shultz is bringing is rental money in payment for the use of the two U.S. bases. It is not aid money as people would make it appear," Arroyo said in a press meeting.

Arroyo's statement is an eye-opener for Filipinos who are blind to the significance of the debate over what the bases money really is which goes deeper than the linguistic nitpicking it looks like on the surface.

The U.S. proudly talks of special relations between it and the Philippines, and yet treats its ally like a beggar.

Arroyo's blunt words could be taken as an admonition to his countrymen not to pin all their hopes on outside help.

We must learn to rely more on ourselves, which would be a good way for us to gain greater self-respect.

Agreeing with the U.S. on the right term for the money it gives us for the basis would take us in the opposite direction.

Let's keep telling Uncle Same to cut the...on the bases and special relations.

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PHILIPPINES

DEPUTY FOREIGN MINISTER SAYS COUNTRY NEEDS 12 YEARS OF AID

HK261545 Manila THE MANILA EVENING POST in English 25 Jun 86 pp 1, 6

[Text] The Philippines needs more economic assistance from foreign countries for the next 12 years to achieve full economic recovery.

Deputy Foreign Minister Leticia Ramos-Shahani, quoting sources from the National Economic and Development Authority, said that "in the face of the country's P26-million foreign debt, the Philippines finds itself in a situation where it will be needing more help from other countries for at least 12 years after which we do not have to beg anymore."

Shahani was guest during last night's show "Viewpoint" hosted by Ric Puno. Other guests were former Ambassador Narciso Reyes, Ambassador Josue Villa, assistant minister for Asia-Pacific affairs, and Patricial Cepeda Sison, survey leader of the Presidential Commission on Government Reorganization.

Shahani said that while Finance Minister Jaime Ongpin is busy negotiating for the restructuring of loans, the Ministry of Foreign Affairs is bent on export promotions and giving high priority to foreign affairs, stressing that the Philippines has to make other countries feel confident that "we are paying our debts."

She said the domestic problems which are economic-oriented call for strong relations with majority of the countries whose assistance is directly needed for the Philippines to gain economic recovery and summone the emergency situation brought about by the P26-billion foreign debt.

Shahani cited the government has made its stand on foreign policy and that is to achieve good, friendly relations with the countries of the world.

She added that the President's move to discuss matters affecting the Philippines' relations with the United States, Sweden, Australia, Libya, and other nations, and the appointment of new ambassadors indicated the new government's sensitivity to [word indistinct] support to foreign affairs.

She also batted for "economic independence and self-reliance in making the Philippines a power."

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CSO: 4200/1166

AQUINO MAKES NEW GOVERNMENT APPOINTMENTS

HK261527 Manila THE NEW PHILIPPINES DAILY EXPRESS in English 26 Jun 86 p 2

[Text] President Aquino expressed satisfaction yesterday over the rise in the level of savings in the country's banking system since February. She said this is another testimony to the growing confidence of the people in country's banking institution.

The President, who ushered in Savings Consciousness Week--June 29-July 5--with a call on the Filipino people to be thrifty, also said:

"In the pursuit of this new goal, and as we celebrate Savings Consciousness Week, let us call to mind that the habits of thrift and savings are keystones in the ultimate endeavor of nation-building."

Savings Consciousness Week is celebrated every year starting June 29.

The President also appointed Vicente T. Paterno, acting chairman and president of the Philippine National Oil Co., as deputy executive secretary for energy.

Other new presidential appointees were Murphy Sangkula, as deputy minister for public works and highways for Sulu and Tawi Tawi; Francisco Benedicto as Philippine ambassador to Singapore; Solicitor-General Sedfrey Ordonez as member of the Philippine Charity Sweepstakes Office board; and Andres Bautista as member of the GSIS board.

Executive Secretary Joker Arroyo also announced the following appointments effective June 21:

Juanito Malig, director, Bureau of Fisheries and Aquatic Resources; Alexandro Brillantes, assistant director of the Bureau of Cooperative Development; Purita Blanco, head executive assistant of the Ministry of Agriculture and Food; Caroline Mangaoang, assistant minister for manpower development of the Ministry of Public Works and Highways [MPWH]; Virgilio Gener, regional director for the National Capital Region, MPWH;

Transportation and Communications Minister Hernando Perez, chairman, of the board of the Philippine National Lines with Crisonito Joson, Guillermo Jose, Emil Ong, Oscar Santos, Ramon D. Mitra Jr., Arsenio Yulo Jr., Manuel Domingo, and Jesus Ayala, as board members.

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PHILIPPINES

SALONGA DEFENDS POSITION OF 'GOOD GOVERNMENT' BODY

HK251547 Quezon City BUSINESS DAY in English 25 Jun 86 p 24

[Text] Minister Jovito Salonga, chairman of the Presidential Commission on Good Government (PCGG), asked the Constitutional Commission to make PCGG "co-terminus" with the Aquino government.

Testifying yesterday before the Con-Com committee on transitory provisions, Salonga said taking away the sequestration powers of PCGG will mean the "abandonment and weakening" of the will of the Aquino government in recovering alleged hidden wealth of ex-President Marcos, his relatives and cronies.

Salonga appealed to the committee to oppose resolutions seeking the reversion to the courts of the powers of sequestration and a limit to the existence of PCGG to one year after the ratification of the new Constitution.

Salonga told the committee that it will take "many, many years" to recover billions allegedly stolen by Marcos together with his relatives and cronies, because these were stashed in many provinces in the country and in many foreign lands.

The opposition members in the Con-Com expressed the apprehension about the "seemingly double standard" being applied by PCGG in sequestration cases.

Comissioners Blas F. Ople, Rustico de los Reyes and Regalado Maambong said some critics called the PCGG's exercise of sequestration as "Gestapo tactics."

The opposition said PCGG "may sometimes lean to a double standard in an issue but is definitely running against Marcos, his relatives and cronies. On the other hand, some former Marcos officials now occupying sensitive and high positions in the Aquino government are exempt."

It seems that the policy of PCGG is "to exempt certain people from inquiry," the opposition commissioners said. They stressed that the "kakampi" or friends of the Aquino government are exempted.

Salonga, however, refuted these allegations. He said in some of the papers turned over by the U.S. Government and those retrieved from Malacanang, the names of the persons alluded to do not appear.

"There is no double standard if there is no evidence," Salonga stressed.

The PCGG action conforms substantially with the bill of rights. Sequestration orders are subject to judicial review. PCGG is not going against political enemies of the Aquino government, Salonga told the committee.

However, Salonga admitted that PCGG had "acted as the Tanodbayan--meaning the prosecutor and judge at the same time--in some cases."

Salonga also disclosed that PCGG is preparing a code of ethics for all government officials with emphasis on conflict of interest and disclosure of business connections.

Salonga denied allegation that some sequestered private corporations, including San Miguel Corp., were made as "dumping ground" for some Aquino officials.

Ople stressed that he is not against the dissolution of PCGG, but favors the transfer of sequestration powers to the courts and the divestment of PCGG powers to grant immunity from suits in its future actions.

Commissioner Jose Nolledo observed that PCGG in some actions "have infringed on the bill of rights." He said he favors the transfer of PCGG powers to the ordinary courts and the end of its existence within one year after the ratification of the new charter.

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PHILIPPINES

CON-COM PROPOSES MULTIPARTY SYSTEM TO INCLUDE CPP

HK251556 Hong Kong AFP in English 1552 GMT 25 Jun 86

[Text] Manila, June 25 (AFP)--A Constitutional panel drafting a new Philippine Constitution was asked Wednesday to adopt a multiparty system including the banned Communist Party of the Philippines (CPP), a member of the commission said.

Political Affairs Minister Antonio Cuenco, opposition leader Blas Ople and former Senator Raul Manglapus told a public hearing conducted by the panel that the country must do away with the current two-party system.

The three proposed that the new charter should adopt a "free party system" to include the CPP, provided it renounced violence, Commissioner Vicente Foz told AGENCE FRANCE-PRESSE.

The CPP's New People's Army has been waging a rural-based guerrilla campaign for the past 17 years.

Mr. Foz said the people should be allowed to choose what party system they wanted to have.

"Eventually there will be two parties but this will be according to the choice of the people and not dictated by the Constitution," he said. "The consensus in the hearing was to provide for a free or multi-party system."

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REPRESENTATIVES AT CON-COM RAP BALWEG, PRESENT DEMANDS

HK261535 Manila THE NEW PHILIPPINES DAILY EXPRESS in English 26 Jun 86 pp 1, 6

[Article by Mel Parale]

[Text] The Cordillera People's Alliance (CPA), advocating a virtual secession from the government of the Cordillera region, was accused yesterday of being a front of the New People's Army, the military wing of the Communist Party of the Philippines.

In a public hearing of the Constitutional Commission [Con-Com] on committee on local government, representatives from the Kalinga-Apayao region also lashed at renegade priest Conrado Balweg for claiming that he speaks for the Cordillera region.

Lawrence Wacnang, a prominent provincial leader of Kalinga-Apayao, told the hearing panel led by Hose Nolledo that Balweg cannot represent the Cordillera because the renegade priest is actually from Abra.

Choana Carino, CPA spokesperson, said that their demand for autonomy would stop what she said was the exploitation and abuse of 106 tribal groups in the Cordilleras.

The CPA also pressed for autonomous taxation system in the Cordillera region.

When questioned by Con-Com member Crispino de Castro, Carino, however, failed to answer how the proposed separate Cordillera government would protect itself against insurgency.

This drew a retort from Kalinga-Apayao leaders who declared that they cannot allow the region to be a battleground between the NPAs and the government forces.

The heated exchanges between the CPAs and the other Kalinga-Apayao groups prompted Nolledo to remind them that the public hearing was being conducted to solve and not to create problems for the tribal communities.

Nolledo told the tribal groups to unite and fight for a common cause, but not after Kalinga-Apayao leaders objected to what they termed as

"Igorotization of the Cordillera." The CPA is based in Baguio City while the Kalinga-Apayao delegation came from Pasil, Kalinga-Apayao.

The contending parties finally agreed to a proposal of Commissioner Rustico de los Reyes that they will just work together and form a common front against the exploitation of their communities with the help of the national government.

Nolledo announced that committee members have agreed on the following:

--Rejection of the Federal system of government as proposed.

--Scrapping of the word 'barangay' and the restoration of the name 'barrio' as the terminology of the country's smallest local unit. The rationale was that the term 'barangay' rekindles what the proponents called the memory of the infamous Marcos dictatorship.

--Grant of taxation powers to local government.

--Deferment of decision on autonomous region.

--In another session, the committee on human resources chaired by Wilfredo Villacorta, endorsed the adoption of Filipino and English as the country's official languages.

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PHILIPPINES

HOME DEFENSE FORCES SAID CAUSING MISAMIS EXODUS

HK261525 Manila THE NEW PHILIPPINES DAILY EXPRESS in English 26 Jun 86 p 3

[Text] A human rights fact-finding mission yesterday said there was now a mass exodus of residents from several Misamis Oriental Towns because of alleged atrocities committed against them by the Civilian Home Defense Forces, and local cultist groups known as Tadtad and Bolo Battalion.

The Philippine Alliance of Human Rights Advocates [Pahr] made the report after conducting a fact-finding and medical mission in the areas. Pahr was endorsed by the Presidential Committee on Human Rights.

The six areas covered by the mission were: Cagayan de Oro City, Claveria, Balingasag, Tagaloan, Maticao, and Libertad. They also visited several barangays of these population centers.

The mission said a formation center of the parish of Tagaloan has been virtually turned into an evacuation center with some 1,600 people.

It added that while some people have already returned to their towns, they are now required by the military to wear identification cards to prove they are really town residents.

The Medical Action Group, a part of the mission, reported that 28 children of evacuees have died of common illness: cough col, measles, and dysentery. It said at least nine adults have also died.

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PHILIPPINES

COLUMNIST ON MILITARY'S DIMAPORO PROBLEM

HK261025 Quezon City ANG PAHAYAGANG MALAYA in English 17 Jun 86 p 4

[Column by Luis R. Mauricio: "Back to the Barracks"]

[Text] The nation was treated the other day to the outlandish spectacle of two generals of the "new" Armed Forces of the Philippines [AFP], both commanders of regional unified commands (RUCs), publicly presenting diametrically opposite views, through the media, on how the Aquino government must deal with Ali Dimaporo, the notorious Marcos warlord whom the AFP hitherto has been handling with kid gloves.

Dimaporo is the ex-governor of Lanao del Sur, where the birds and the bees have been voting in elections since President Quirino's time. Just before the election last February 7, out of his desire to see that even the dead vote for him, Marcos ordered General Ver to lend Dimaporo 1,000 high-powered arms from the AFP armory.

These arms were meant to be issued to Dimaporo's private army of killers, known as Barracudas (disguised as paramilitary Civilian Home Defense Forces), to complement the 3,000 guns already in their hands.

Last May, dismayed at the special treatment accorded him, President Aquino specifically ordered the military to disarm Dimaporo. The AFP signified obedience to the order, but not immediately, in deference, the military said, to the Muslim season of fasting (Ramadan).

Defense Minister Ponce Enrile, for his part, issued a lame warning to Dimaporo. "We have worked with Ali Dimaporo in the Kilusang Bagong Lipunan before," he was quoted as having said, obviously as a reminder to him that they were friends, "but we will not (hesitate to take) military action if warranted."

When the fasting season was over, and the military was expected finally to carry out the President's order, the Lanao warlord dared Brig. Gen. Rodrigo B. Gutang, commander of RUC 12 which has jurisdiction over Lanao del Sur, to disarm him so he could kill him with his own hands.

Finally, Dimaporo announced that he would surrender his guns, but he would do so only to Brig. Gen. Mariano Adalem, RUC 10 commander. He did turn in 127 assorted firearms a fortnight ago. But they were, according to Gen. Gutang, of such ancient (World War II) vintage that those could not have been what General Ver had lent him.

These are the antecedent facts which provide the background for the conflicting views aired publicly by the two generals.

Gen. Gutang announced to the media that, given the positive order by his superiors, he would attack Dimaporo's lair and seize all the arms of his Barracudas.

On the other hand, Gen. Adalem announced, also to the media, that the dissident Moro National Liberation Front (MNLF) and other Muslim armed groups would become united in opposition to the government the moment the military launched the attack suggested by Gen. Gutang; hence, not force but persuasion should be used on Dimaporo.

Thus are we witness to situation where two top generals of the armed forces of the country debate in public what essentially should be a political decision--that is, an issue to be decided by superior civilian authority--involving matters of strategy, which should have been better thrashed out only within the confines of a war room in a military barracks.

(And to think that all this while, Dimaporo was watching from the sideline, probably with a twinkle in his eye, and perhaps amused by the sight of two high officers he had succeeded in inveigling into warring with each other instead of jointly going after him!)

This business of generals determining political policy instead of merely implementing them is an anomaly which is a carry-over from the practice, accepted without question, during the Marcos martial law years.

Since Marcos depended wholly on military support to prop him up and ensure his continued stay in power, he pampered the soldiers and their officers, not only materially but also by sharing power with them. Eventually, it was no longer a novelty for military men to be holding civilian jobs and making decisions which pertained exclusively to civilian authority.

Bad habits die hard. Thus even with Marcos gone, the armed forces have not returned to the barracks.

The sideshow produced by the Dimaporo extravaganza drives home clearly the point raised recently by Gen. Fidel V. Ramos, AFP chief of staff, in his proposal to insulate the armed forces from partisan politics.

It is a proposal that, by virtue of its wisdom, commends itself to the framers of our new Constitution.

Gen. Ramos explained that there be expressed, by legislation or in the Constitution, a "state policy" which would carry to the armed forces the message that the military remains "an impartial guardian and protector of the people, the nation, the Constitution and the flag"--and not to any man or woman, President, minister or general.

Such a state policy is not found in either the 1935 or the 1973 Constitution.

Thus, before martial law was imposed, officers of the armed forces were beholden to politicians, who had a hand in the confirmation of their promotions. Each politician had his own coterie of officers on whom he depended to carry out activities which did not necessarily redound to the interest of the country as a whole or to the greater majority of the people.

The situation was worse compounded after the 1973 charter went into effect. The loyalty of the military was pledged to the dictator. And there arose pockets of power, where at each center thereof there operated a strongman.

Had these strongmen prevailed even after Marcos had fled, we would have beheld in the Philippines a situation such as that which is now obtaining in neighboring Thailand, where, but a few weeks ago, Prime Minister Prem Tinsulanon, a retired general, dismissed the army commander, Gen. Athit Kamlang-ek, to stop the military from meddling in the election scheduled this coming July.

That General Ramos has come up with a proposal intended to bring about a general re-orientation of the soldier's relation to the Constitution and to the nation is a tribute to his high sense of patriotism.

With the military freed from political partisanship or influence, hopefully we shall never again see soldiers or generals fighting publicly over government policy.

Politics and government are too serious matters to be entrusted to colonels and generals, as freedom-loving Indonesians, Pakistanis, Bangladeshis, Koreans and Thais will tell you.

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ASEAN CONSULTATIVES COMMITTEE FORMED

HK250243 Quezon City BUSINESS DAY in English 24 Jun 86 p 2

[Article by Abrino Aydinan]

[Text] ASEAN watchers see the need for new initiatives to push forward economic cooperation within the Association of Southeast Asian Nations which, they all agree, has stagnated.

In a discussion among local ASEAN experts which have banded themselves into a formal organization called Philippine ASEAN Consultative Committee (PACC), founding chairman Purificacion V. Quisumbing talked of a need "to move ASEAN from political cooperation to the original idea of economic cooperation." Quisumbing is the director of the Academy of ASEAN Law and Jurisprudence (AALJ) of the University of the Philippines.

In a more recent forum also organized by the AALJ, David SyCip who is member of the executive committee of the Singapore based ASEAN Finance Corp. gave the view that in economic cooperation, ASEAN is "barely off square one." Despite the adoption of four major regional economic cooperation programs--the preferential trading arrangements (PTA), the ASEAN industrial projects, the ASEAN industrial complementation program and the ASEAN industrial joint venture projects--SyCip said individual ASEAN countries are still reluctant to share domestic markets and pool resources with the others.

In these two areas, Victor Gosengfiao of the Ministry of Trade and Industry (MTI) observed that "there seems to be great difficulty among ASEAN countries to come into an agreement on very substantial programs or projects and there is still very little to show for all the effort." He pointed out that Thailand has excluded 63 percent of its eligible products from coverage of the reduced tariff preferential trading with ASEAN; Indonesia, 54 percent; Malaysia, 37 percent; and the Philippines, 25 percent. Even Singapore with the most liberal trade regime in ASEAN has seen fit to exclude 2 percent of its eligible products from the PTA.

SyCip proposed the use of ASEAN currencies in the intra-regional trade and the free trade within ASEAN of raw materials coming from the region.

These measures, he pointed out, would make possible a "flexible countertrade" between ASEAN countries, one version of which proposed by the Philippine Government is expected to be discussed by the ASEAN foreign ministers meeting being held in Manila.

SyCip is proposing more ASEAN cooperation schemes: formation of an ASEAN regional shipping company or, alternatively, licensing a non-ASEAN firm for this purpose; special trading preferences between ASEAN and the United States; grant by each ASEAN country of national status to investors from other ASEAN countries (now followed only by Singapore and the Philippines); passenger pooling arrangements between ASEAN airlines; uniform ASEAN rules for investments and capital market development; setting up of an ASEAN Export-Import Bank and a regional export insurance firm; and freer intra-ASEAN movement of manpower.

Former Economic Planning Minister Vicente Valdepenas Jr., who also participated in the recent forum, renewed calls made in the past by other ASEAN advocates for the putting up of an ASEAN free trade area, which means the removal of all tariff barriers between ASEAN countries, in place of the existing reduced-tariff preferential trading arrangements, which is actually a limited form of regional free trade regime. Other participants proposed an ASEAN customs union which would involve a common ASEAN tariff wall that would apply for external trading partners.

"The modality that has been chosen 10 years back is not exactly the most efficient path to this trade expansion program," Valdepenas argued. "The PTA," he added, "is not the most efficient path to take."

"I think that if ASEAN now has developed a sense of frustration about the pace of progress of cooperation in ASEAN, then maybe they should be prepared to look at new initiatives of expanding the scope of economic cooperation," Valdepenas said.

In fact, Gosengfiao asserted, the luck by which certain individual ASEAN countries have been able to develop themselves separately has now run out as "the new international economic environment is no longer so supportive of the economic development of these countries." He cited the depressed commodity prices in the world market, and the export outlets that are increasingly becoming more restrictive, foreign investments noticeably going down, and international commodity agreements collapsing.

The ASEAN countries are beginning to see, Gosengfiao said, that "now unlike in (the past), economic cooperation between them might become essential for the economic development of each state."

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PHILIPPINES

STATISTICS OFFICE PUBLISHES FIGURES ON 'LACKLUSTER' TRADE

HK251535 Quezon City BUSINESS DAY in English 25 Jun 86 p 2

["Economic Indicator" column: "RP Trade Falters"]

[Text] The country's foreign trade has turned in a lackluster performance during the last decade, data from the National Census and Statistics Office (NCSO) showed.

The net terms of trade, the ratio of the export price index to the import price index, was consistently below the base year (1972) level beginning of 1976, an indication that prices received for exports were lower compared to the prices paid for imports.

RP's Trade Indices and Gross Terms of Trade
Net Terms of Trade and Purchasing Power of Exports*
1950 to 1985

	Quantum index		Price index**		Value index	
	Imports	Exports	Imports	Exports	Imports	Exports
1950	43.6	28.7	61.0	106.1	26.6	30.5
1955	68.5	40.5	61.9	88.6	42.4	35.9
1960	66.0	50.5	61.9	101.2	45.6	50.6
1965	80.3	69.2	78.1	100.0	62.7	69.2
1970	92.6	88.0	93.5	111.1	86.6	97.8
1971	99.1	96.4	95.5	105.6	94.6	101.8
1972	100.0	100.0	100.0	100.0	100.0	100.0
1973	93.6	107.7	128.8	145.9	120.5	157.2
1974	110.3	96.2	211.6	242.3	233.5	114.7
1975	115.8	101.9	219.6	192.3	154.2	196.4
1976	122.6	130.5	217.2	168.8	266.2	220.3
1977	119.2	157.4	241.1	171.3	287.5	269.7
1978	140.9	152.6	245.8	193.7	348.3	293.1
1979	153.4	165.4	270.1	236.2	442.3	390.8
1980	155.8	201.3	358.6	246.0	558.5	495.4

	Quantum index		Price index**		Value index	
	Imports	Exports	Imports	Exports	Imports	Exports
1981	143.2	203.5	398.6	240.6	570.8	489.7
1982	163.4	215.0	340.5	199.9	556.3	429.7
1983	156.9	204.2	342.4	209.8	537.1	428.4
1984	111.9	199.4	386.7	231.4	432.8	461.4
1985	100.8	194.9	363.8	203.2	366.6	396.2

	Gross (barter) terms of trade	Net terms of trade	Purchasing power of exports
1950	151.9	173.9	49.9
1955	169.1	143.1	58.0
1960	130.7	146.4	73.2
1965	116.0	128.0	88.6
1970	105.2	118.8	104.5
1971	102.8	110.6	106.6
1972	100.0	100.0	100.0
1973	86.9	113.3	122.0
1974	114.7	114.5	110.1
1975	113.6	87.8	89.5
1976	93.9	77.7	101.4
1977	75.7	71.0	111.8
1978	92.3	78.8	120.2
1979	92.7	87.4	144.6
1980	77.3	68.6	138.1
1981	70.4	60.4	122.9
1982	76.0	58.7	126.2
1983	76.8	61.3	125.2
1984	56.1	59.8	119.2
1985	51.7	55.8	108.7

* 1972 = 100

** Unit value of imports are based on CIF values while those for exports are based on FOB values.

Source: National Census and Statistics Office

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PHILIPPINES

CENTRAL BANK TO OVERHAUL IMPORT RULES

HK260558 Quezon City BUSINESS DAY in English 25 Jun 86 p 2

[Article by Conrado R. Banal III]

[Text] The Central Bank [CB] is planning to overhaul its rules in importation as part of the trade liberalization program the Aquino government has committed to the International Monetary Fund (IMF).

This plan has a basis in the "Agenda for People Power Development," the government's economic program which the Cabinet approved recently. The agenda recommends that trade policy should veer away from nontariff barriers to imports, such as certain CB regulations.

First to go will be the marginal deposit on import financing. At present, businesses have to advance to the banks 25 percent of the value of their import letters of credit (L/Cs). Scrapping this requirement will cut the costs of importation.

While the Bankers Association of the Philippines (BAP) officially requires such a deposit, bankers said the CB in the late 1970s actually prevailed upon the BAP to impose this requirement.

At that time, the country was importing too much since firms wanted to build up their raw material stocks in anticipation of a rise in prices.

The CB however could not impose an out-and-out barrier on importation because the government had an agreement with the IMF that it would not in any way impede trade.

The present situation is entirely different from that prevailing in the 1970s, or even during the past few years when imports were controlled due to the foreign debt crisis. Now, the government wants to stimulate the economy which has suffered an almost 10 percent drop in production the past two years. Opening up importations of raw materials, on which most factories depend, is one way to revive business.

The 25 percent advance payment of import L/Cs is a "hidden expense" for importing firms, increasing further their financial costs. Imports normally

take about 60 days to arrive from the day the L/Cs are opened. Interest meanwhile piles up on the borrowings of importers to cover the deposit.

The CB is also planning to raise the $1,000 ceiling on imports which do not require the opening of L/Cs, and to ease its rules on importation through the open account (OA) and documents against acceptances (DA) scheme which do not require financing from local banks. Multinationals for instance usually use OA/DA to import from their parent firms abroad.

Under review are other CB rules dealing with dollar salting. The CB may tighten rules on the "343" dollar deposit accounts to which dollar earners are entitled. Exporters cover their payments for imported raw materials out of their dollar earnings in such accounts.

But "343" accounts are sometimes used for dollar salting. An exporter for instance can buy dollars from the black market, sell them to the banks, and then buy them back to pay for their L/Cs. In the process, they make it appear that the L/C payment came from their dollar deposits which are actually stashed abroad.

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PHILIPPINES

GOOD GOVERNMENT COMMISSION TO SEIZE BANK SHARES

HK261521 Manila THE NEW PHILIPPINES DAILY EXPRESS in English 26 Jun 86 pp 9, 10

[Article by Rudy V. Brul]

[Text] The Presidential Commission on Good Government (PCGG) is reportedly seizing this week a sizeable block of shares in the United Coconut Planters Bank (UCPB) belonging to known Marcos crony, Eduardo "Danding" Cojuangco Jr.

PCGG insiders said Cojuangco owns more than a 40-percent stake in the bank. They refused to disclose the value of the equity.

A check with the bank, however, showed conflicting reports that Cojuangco's holdings at UCPB is only 17.8 percent or 132 million shares at one-peso par value.

According to a UCPB official, Cojuangco's shares are listed under the farmers' group, Philippine Coconut Producers Federation or Cocofed, which owns the 60-percent controlling interest in the bank.

The remaining 40 percent shares in the bank, the UCPB source added, belong to the non-farmers' group.

The Kilusang Magbubukid ng Pilipinas [KMP] [Peasants' Movement], meantime, urged yesterday the sequestration of UCPB because the bank "was established using the controversial P9.7-billion coconut levy fund of the farmers."

Jaime Tadeo, KMP chairman, said deposed President Marcos, through PD [Presidential Decree] 755, allowed Cojuangco to use the bank to increase his personal wealth.

PCGG sources said that the sequestration order will be served on the 40-percent shareholdings of the non-farmers' group suspected to be wholly owned by Cojuangco, despite claims of a UCPB official that Cojuangco's 17.8 percent shareholdings "is grouped under the farmers because Cojuangco is a farmer also."

Among the other shareholders in the non-farmers' group, he said, are Danilo Ursua, UCPB president, Narciso Pineda and Jesus Pineda with five percent shares each.

The PCGG had earlier set its eyes on the sequestration of the alleged equity of deposed President Marcos in the bank which was endorsed to him by Ursua through a blank stock certificate.

Ursua, however, denied the allegation saying that he endorsed the blank certificate not to Marcos but to Cojuangco.

Ursua's denial came in the wake of reports that PCGG Commissioner Raul Daza has disclosed Ursua's admission of the existence of Marcos' shareholdings in UCPB.

Ursua said Daza could not confirm whether or not the blank certificate was passed by Cojuangco to Marcos.

In a press statement, KMP called on the Aquino government to sequester all private business enterprises which were bought or set up using the 9.6 billion peso coconut levy fund, particularly UCPB, "which was bought in the 1970's by the Philippine Coconut Authority (PCA) with money from the coconut levy."

Tadeo claimed that "UCPB was created using public funds from the coconut levy. It was meant to benefit the small coconut farmers. But Marcos' government allowed certain individuals, such as Eduardo Cojuangco as well as other influential bank officials to use the bank to increase their personal wealth."

He added, "The Aquino administration should act swiftly so that the coconut levy funds will no longer be exploited by individuals who claim to act in the interests of the small coconut farmers."

The coconut levy fund was deposited in the UCPB when the bank, formerly the First United Bank, was purchased by the PCA through Presidential Decree No. 755, which also ordered "all collections under the Coconut Consumers Stabilization Fund (CCSF) and 50 percent of the Coconut Industry Development Fund (CIDF) levies to be deposited interest free in the said bank."

Reports from the Commission on Audit (COA) said that had interests been demanded the CIDF stood to earn 380 million in interest from the UCPB, Tadeo said.

On Cocofed's claim that the UCPB is actually owned by the coconut farmers, Tadeo said, "The Cocofed is using the name of the 1.5 million coconut farmers to maintain their control of the UCPB. But the Cocofed is in the hands of the big landlords and does not represent the small farmers."

The KMP has gathered reports from its members in coconut areas who are at the same time Cocofed members, he said, "that they have not received benefits from Cocofed programs or investments like the UCPB or the San Miguel Corp."

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PCGG ACTIONS ANNOY CENTRAL BANK OFFICIALS

HK260548 Manila THE NEWS HERALD in English 25 Jun 86 p 8

[Text] The practice of the Presidential Commission on Good Government (PCGG) of announcing the sequestration of certain institutions even without having served the notice to the affected parties is irking many of the Central Bank [CB] officials.

The CB officials claimed that PCGG has agreed to defer the announcement of sequestration until the order has been served and the CB has been notified when the parties involved are banks.

According to the CB officials, this practice of PCGG commissioners causes unnecessary damage to banks whose assets they are, in the first place, supposed to conserve by sequestering them.

Such actions on the part of the PCGG destroy the public trust in banking institutions, the CB officials [said]. That is an irreparable damage the PCGG people must account for, according to the CB key executives.

The other day, Ramon Diaz, a PCGG commissioner, announced that half of Allied Banking Corp. was being sequestered by the government.

Diaz said he and the PCGG chief, Jovito Salonga, had already signed the order but admitted that it had not been served yet.

The PCGG sequestered the shares of Lucio Tan and Ignacio Gimenez amounting to more than 50 percent of the total equity of Allied Bank.

Officials of the PCGG said they believed the shares in the names of Tan and Gimenez actually belonged to the deposed president, Ferdinand Marcos.

They based their belief on the claim that Tan was allegedly an associate of Marcos and that Giminez was the husband of Fe Giminez, secretary of the former first lady, Mrs. Marcos.

CB Governor Jose B. Fernandez Jr. is currently in the United States on a government mission. It could not be determined yesterday if he was officially informed of the sequestration order on Allied Bank.

However, the CB officials said the PCGG should have given them the courtesy of at least being verbally informed of the action before announcing it to the press.

"Who do they think they are?" sources close to the PCGG rebutted yesterday. The commission is not under the CB but directly under the President, they countered.

Observers said they expected the rift to fully escalate once Fernandez comes back from his foreign assignment.

The CB officials said that based on the line of thinking of the PCGG, many more banks may be sequestered because of the closeness of their owners to the former ruler.

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PHILIPPINES

BRIEFS

COMMITTEE ON RURAL DEVELOPMENT--President Aquino has created an 8-man cabinet committee on rural development to coordinate the implementation of the recovery plan for the rural sector. The committee is composed of Agriculture Minister Ramon Mitra, Natural Resources Minister Ernesto Maceda, Agrarian Reform Minister Heherson Alvarez, Public Works and Highways Minister Rogaciano Mercado, Local Government Minister Aquilino Pimentel Jr, Economic Planning Minister Solita Monsod, Finance Minister Jaime Ongpin and Budget Minister Alberto Romulo. [Text] [Manila Far East Broadcasting Company in English 2300 GMT 22 Jun 86 HK] /6091

CSO: 4200/1166

TRUONG CHINH SENDS GREETINGS TO ARTILLERY CORPS

BK291149 Hanoi Domestic Service in Vietnamese 0500 GMT 29 Jun 86

[Chairman of Council of State Truong Chinh's 29 June Letter to Members of Artillery Corps on its 40th Founding Anniversary]

[Text] Dear cadres, combatants, workers, and personnel of the Artillery Corps:

On the occasion of the Artillery Corps' 40th founding anniversary, 29 June 1946-29 June 1986, on behalf of the party Central Committee, the Council of State, and the Council of Ministers, I would like to extend my warm greetings to all cadres, combatants, workers, and personnel of the corps as well as to convey my kind regards to all of its wounded, ailing, and retired combatants and all the families of its fallen combatants.

Over the past 40 years, upholding revolutionary heroism, the Artillery Corps has stoutly overcome all hardships and sacrifices to build itself while fighting and ensuring combat readiness. It has worked creatively, studied earnestly and diligently, and struggled constantly to master modern science and technology.

You, comrades, have achieved many outstanding military exploits in the wars of resistance against the French colonialists, U.S. imperialists, and Chinese expansionists and hegemonists, thus contributing worthily to the cause of national liberation, construction, and defense and the fulfillment of internationalist duty of our people.

For these achievements, the Artillery Corps has been awarded the eight golden words--brass legs, iron shoulders, fighting magnificently, shelling accurately--by Uncle Ho, the people's armed forces heroic title by the state, and the banner of the leading unit in the 1982-85 emulation movement among various armed services by the Council of Ministers. On behalf of our party, state, and people, I warmly commend the Artillery Corps for its great achievements.

Dear comrades, artillery is the main firepower of our Army and also the main surface firepower of our armed forces. To fulfill this heavy and glorious task, it is necessary for you, comrades, to understand thoroughly the party's revolutionary and military lines and identify clearly the situation and duties

in the new stage. It is also necessary for you, comrades, to develop the tradition of brass legs, iron shoulders, fighting magnificently, shelling accurately to make the Artillery Corps a standardized and modern force with high combat efficiency and an increasingly desirable level of combat readiness.

Let the Artillery Corps ensure close solidarity and coordination with other units and the people in order to fulfill outstandingly all assignments and score many achievements in honor of the Sixth National Party Congress and, together with the entire party, people, and armed forces, successfully build socialism, and firmly defend the socialist fatherland.

With my cordial and determined-to-win salutations

[Signed] Truong Chinh

Hanoi, 29 June 1986

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MEETING MARKS ARTILLERY CORPS ANNIVERSARY

BK300444 Hanoi Domestic Service in Vietnamese 2300 GMT 29 Jun 86

[Text] On 29 June, the Artillery Corps command held a solemn meeting to mark its 40th founding anniversary. The major general commanding the corps delivered a speech stressing the building and developing of the corps and its glorious victories over the past 40 years. A vital source of firepower for the Army on the ground, the Artillery Corps has developed the tradition of strengthening solidarity and scoring collective achievement, thereby effectively supporting various infantry units and broadly participating on the battlefield. All military exploits and progress made by the Artillery Corps were closely related to achievements of the Army and people which culminated in the Diem Bien Phu victory, the 1968-72 spring campaign victory, and the glorious 1975 victory.

During the protracted wars of resistance of the nation, the Artillery Corps, its 58 units and 10 officers and combatants were awarded armed forces hero titles and commended by President Ho Chi Minh as the ironlike corps which is capable in fighting and accurate in firing.

Developing the tradition of heroism, the Artillery Corps is seeking better education, training, enhanced vigilance, and improved combat readiness while striving to build revolutionary, seasoned, standardized, and modernized units, thereby firmly defending the fatherland's frontier and fulfilling all assigned tasks.

Senior General Le Trong Tan, on behalf of the Military Commission of the CPV Central Committee and the National Defense Ministry, commended the Artillery Corps for its tradition of heroism and its consistent growth during the past 40 years. He urged officers and combatants of the corps to firmly grasp the party's revolutionary and political lines, develop the spirit of self-reliance, build standardized and modernized units, fight efficiently, satisfactorily maintain weapons and equipment, enhance the knowledge of military arts and tactics, practice thrift, participate in the economic building program, and improve the material and spiritual lives of officers and combatants.

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MILITARY AFFAIRS AND PUBLIC SECURITY VIETNAM

CONTENTS OF MAY 1986 TAP CHI QUAN DOI NHAN DAN

BK011500

[Editorial Report] Following are the contents of the May 1986 issue of TAP CHI QUAN DOI NHAN DAN.

1. Editorial: "Unity is a highly-treasured tradition of our party and people," recalling Ho Chi Minh's statement that "we must preserve the unity within the party as we do the apple of our eye," and stressing the need to combat the current self-criticism and criticism drive frankly and scrupulously in such a way as to promote unity and singlemindedness within the party. (pp 1-10; 9,500 words)

2. Report, providing a summary of Senior General Chu Huy Man's statement at an All-Army Cadre Conference held to guide the implementation of the Political Bureau's directive on the conduct of a self-criticism and criticism drive and party congresses at all levels; citing the general's suggestions on how to conduct the self-criticism and criticism drive successfully. (pp 11-25; 18,000 words)

3. Article by Major General Pham Nhu Vuu: "Some problems concerning technical guarantees on defense lines," discussing the question of providing maintenance for weapons and equipment on defense lines. (pp 26-32; 8,000 words)

4. Article by Major General Nguyen Trung Kien, commander of the Artillery Corps: "40 years of unit-building, maturing, and victorious fighting of the Artillery Corps," dealing with combat and unit-building achievements scored by the Artillery Corps since its founding 40 years ago--29 June 1946. (pp 33-44; 14,400 words)

5. Article by Pham Hong Dung: "Some ideas on conceiving and applying various tactical combat principles," theoretically discussing the relations between combat strategy and combat tactics and the question of how to apply correctly and effectively tactical principles to suit the situation in a particular combat operation and providing an assessment of the U.S. military ambitions in the Asia and Pacific Region. (pp 45-65; 22,800 words)

6. Article by Colonel I.P. Che-Re-Khop in the October 1985 issue of the Soviet magazine MILITARY CONCEPTS: "Concerning the harmony between military science and reality," dealing with the need to conduct scientific military research in a way suitable to combat realities. (pp 66-70; 6,000 words)

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BRIEFS

CRACKDOWN ON ILLEGAL BUSINESS--On 20 June, the public security of Hoan Kiem City ward in Hanoi conducted a series of raids on speculators, smugglers, and other illicit merchants. In the past 8 days, the economic police arrested some people involved in 46 cases of smuggling, forgery, and other illicit business, and seized many smuggled, forged, and state-controlled items which value at approximately 2 million dong. These items include some valuable ones such as gold, silver, coal, steel, and 200,000 dong in cash. Proceedings have been made on four serious cases for prosecution before the court of law. [Summary] [Hanoi Domestic Service in Vietnamese 1430 GMT 28 Jun 86 BK]/12766

CSO: 4209/640

AFP: OFFICIALS 'IN PRIVATE' DOUBT PRK CAN FIGHT

BK211216 Hong Kong AFP in English 1136 GMT 21 Jun 86

[Text] Hanoi, June 19 (AFP)--Vietnam and Cambodia celebrated the Cambodian Army's seventh anniversary this week with further affirmations that it is capable of progressively taking responsibility for the defense of Cambodia. But while the official media here played up the capabilities of the Cambodian Army, in private Vietnamese officials have cast doubt on its ability to defend the country.

Army day celebrations in Phnom Penh on Thursday were attended by Vietnamese Defense Minister Van Tien Dung. An editorial in the Vietnamese Communist Party newspaper NHAN DAN said the Cambodian Armed Forces were "capable, with their regular and territorial troops and militia, of progressively taking charge of the defense of the country." NHAN DAN cited as proof of this partial withdrawals in the past 5 years of Vietnamese forces deployed in Cambodia to defend it against an estimated 50,000 resistance guerrillas.

Western experts reckon the Cambodian regular Army is 30,000 strong, but Vietnamese sources say that Cambodia can field 70,000 armed men, including territorial forces and militia. U.S. intelligence sources put the number of Vietnamese troops in Cambodia at 140,000.

Vietnam has undertaken to withdraw all its forces from Cambodia by 1990, but there is worry in Vietnamese military circles about Cambodia's ability to defend itself by that date. Vietnamese officials have told foreign diplomats that the Cambodian Army severely lacks competent officers and has a very weak fighting spirit. They said fighting ability varied from unit to unit, some being able to hold their own against the guerrillas in areas near the Thai-Cambodian border, but others being liable to cave in, making the Vietnamese intervention necessary. They said that the Vietnamese general staff was considering once again giving Vietnamese forces responsibility for the defense of main roads--a task increasingly undertaken by Cambodian troops in recent months. Since the beginning of 1986 the resistance has stepped up small-scale operations throughout the country, particularly attacks on lines of communication, according to various reports.

Military sources here also said the Cambodian Army had recruitment problems--particulary in the west where the guerrillas are most active--despite compulsory military service. And there are regular desertions, although the number is less than that claimed by the resistance, the sources said.

Top Vietnamese officers have decided to systematically mount joint operations between Vietnamese and Cambodian forces in an effort to raise the standard of the latter, but, one Vietnamese officer said recently: "Above all the problem is political: You have to motivate soldiers to fight."

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HANOI COMMENTARY DENOUNCES 'SLANDEROUS' THAI CAMPAIGN

BK201243 Hanoi International Service in English 1000 GMT 20 Jun 86

[Station Commentary]

[Text] The Thai administration has launched a new slanderous campaign against Vietnam and other Indochinese countries. It cooked up a story about Vietnamese troops' infiltration into Thai territory, Vietnamese artillery shellings on the Kampuchean refugee camps on Thai soil. Some ultrarightists in the Thai ruling circle recklessly said that Vietnam has a plan to attack Thailand in 1986. On these charges, our commentator said: There is nothing new in the allegation. They are but similar tricks often played by the Thai administration.

It is necessary to point to the aim of Thailand's slanderous campaign against Vietnam and other countries in Indochina at this period of time. There is a saying of the Greek people that the [word indistinct] nature of a liar just reverses what he has accused others. In fact the Thai authorities have unceasingly stepped up armed provocations and encroachments on the sovereignty and territory of its neighboring countries in Indochina. In May, Thai planes conducted 80 intrusions into Kampuchean airspace over many areas even 15 kilometers deep inside Kampuchean territory. Meanwhile, Thai armed boats in 768 cases encroached on Kampuchean waters around Kaoh Kong, Kaoh Tang, and Poulo Wai island. As regard to Laos, though being forced to withdraw from the three hamlets areas in Sayaboury Province, Thai troops are still occupying many heights there. The situation in this area has not yet been returned to normal due to Thailand's repeated acts of aggression.

In the recent past, Thailand conducted 30 armed encroachments on Lao territory, both at sea, in the air, and on land. Moreover, the Thai administration has carried out an economic embargo against Laos, banning the transit transportation to Thailand of 200 kinds of commodities.

Worthy of note is that the Thai administration caused tension at the Thai-Kampuchean and Thai-Lao borders at the time when the Beijing leadership was stepping up armed provocations at the Sino-Vietnamese border. Chinese troops even killed Vietnamese pupils and teachers in the northern border province of Ha Tuyen while they were celebrating the international children's day, 1 June.

Obviously, with these slanderous charges, the Thai administration intended to sidetrack world public from their collusion with Beijing and other reactionary forces to oppose the three Indochinese nations. This is also Bangkok's move to allude the latest proposal of the Lao People's Democratic Republic for negotiations to solve outstanding questions in the Lao-Thai relations.

More seriously still, with these charges, the Thai administration is deliberately trying to cover up the fact that Thailand and the United States are carrying out the plan to set up an ammunition reserve stockpile on Thai soil, preparing for the presence of American GI's in the country.

The Thai administration has provided sanctuary for the Pol Pot remnants and other Khmer reactionary forces and at present it is ready for the establishment of U.S. military bases on its territory. By tailing after Beijing and Washington to oppose the three Indochinese countries, the Thai authorities only aggravated tension in Southeast Asia as pointed out by the BANGKOK POST. These erroneous acts run counter to the Thai people's legitimate aspiration. More and more people and politicians in Thailand have become aware of and criticized their administration's hostile policy toward the Indochinese countries. They are demanding that their administration reconsider its foreign policy and improve its relations with the three Indochinese countries.

Vietnam has always respected Thailand's sovereignty and territorial integrity. It has never interfered in the latter's internal affairs and hopes to establish good neighborliness with Thailand. Together with Laos and Kampuchea, Vietnam has put forth many constructive, fair, and reasonable proposals. However, these proposals have all been rejected by the Thai administration.

Thailand should adopt a practical attitude in solving pending issues concerning its relations with its neighboring countries.

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CITIES, PROVINCES' COOPERATION WITH CAMBODIA REPORTED

OW241545 Hanoi VNA in English 1448 GMT 24 Jun 86

[Text] Hanoi VNA June 24--To date, many Vietnamese provinces and cities, especially in the south, have established bilateral sisterly relations with neighboring Kampuchean provinces and cities.

This cooperation which started immediately after the overthrow of the Pol Pot regime chiefly to help the Kampuchean people tide over the acute post-liberation shortages has (?gradually) assumed a more and more comprehensive and systematic character, covering many fields of the economy and also scientific and technological activities.

Annual economic cooperation plans and contracts have been signed by the two sides on the basis of equality, mutual interests and respect for each country's independence and material resources of each side. Hundreds of industrial, agricultural and forestry projects have been set up in Kampuchea with assistance from the sisterly provinces in Vietnam.

The sister provinces of Nghia Binh and Rattanakiri have signed contracts on exploiting and processing rubber and forest products in the latter province. The Qui Nhon rubber enterprise (Vietnam) has been cooperating with Rattanakiri in the exploitation of from 500-1,000 hectares of rubber. The area to be covered by this cooperation plan is expected to reach 3,000 or 4,000 hectares in the coming years.

The Vietnamese province of Phu Khanh is helping Stung Treng Province of Kampuchea to develop its forestry and aquatic product industry. Last year, nearly 20 enterprises or farms started operations.

Phu Khanh has supplied cement, iron, and electrical equipment to Stung Treng in exchange for agricultural products.

The agricultural service of Long An Province (Vietnam) has sent many cadres to help Svay Rieng Province change from the single-crop rice farming practice to double-crop farming.

With the help of the ministries of transport and communication of the two countries, the Vietnamese province of Darlac is surveying and designing a 180

kilometer road linking Sre Moldulkiri to Buon Ma Thuot Town to facilitate the development of forestry of the Kampuchean province and its export industry.

The central Vietnam province of Quang Nam-da Nang is helping Battambang Province to develop education. Scores of lecturers have been sent to train Kampuchean teachers in natural science.

Thuan Hai Province (central Vietnam) has helped Preah Vihear Province build a 100-bed provincial hospital, 7 district infirmaries and 40 village dispensaries, and expand the disease prevention movement.

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ASEAN'S MANILA JOINT COMMUNIQUE CLOSES

BK261254 Hanoi International Service in English 1000 GMT 26 Jun 86

[Station commentary]

[Text] The conference of foreign ministers of ASEAN countries closed in Manila on 24 June with a 32-page long joint communique. The economic problem and the Kampuchean issue, the main topics of the conference, are also the main points of this communique.

On the Kampuchean issue, the Manila joint communique claimed that Vietnam did not really want an arrangement for the conflict in Kampuchea, and that Vietnam's proposal on solving of this dispute has made no contribution to an overall solution to the Kampuchean issue.

Commenting on this, our commentator says it is a groundless allegation, a product of unhealthy imagination of the forces desiring a confrontation with the three Indochinese countries. Our stand and goodwill on the Kampuchean issue is very clear. In the past nearly 8 years, the three Indochinese countries have repeatedly put forth constructive proposals on this problem. The communique at the conference of the Indochinese foreign ministers held in early [as heard] this year once again made clear the just stand and unswerving attitude of the three Indochinese countries on a solution to the Kampuchean issue. The importance of this solution is to make the difference between the internal and international aspects of the Kampuchean issue. The internal affairs of Kampuchea must be settled by the Kampuchean people themselves without external interference. The settlement of the international aspect of the Kampuchean question would imply an agreement on the withdrawal of Vietnamese Army volunteers along with the ceasation of all material and military aid to the Pol Pot clique and other Khmer reactionary forces, of the utilization by the latter of Thai territory and sanctuaries, of all interventions from outside in the internal affairs of Kampuchea, as well as of all military hostility by foreign countries against the People's Republic of Kampuchea.

Concurrently with the peaceful solution to the Kampuchean question, a stable and lasting peace in the region must be ensured, and an agreement should be reached on the setting up of a zone of peace and stability in Southeast Asia.

The fifth partial withdrawal of Vietnamese Army volunteers from Kampuchea is a new goodwill expression of Vietnam and Kampuchea aimed at promoting the cause of peace and stability in the region. Meanwhile, the ASEAN countries always maintain their erroneous stand. Throughout the last nearly 8 years, they have clung to their demand for unilateral Vietnamese troops withdrawal while giving no heed to Thailand's supply of sanctuaries for the Khmer reactionaries to oppose the Kampuchean people. They have not put forth any proposal or measure to end the hostile activity against Kampuchea. It is not Vietnam, but they themselves who did not really want to seek for a solution to the Kampuchean issue through negotiations.

The conference of ASEAN foreign ministers even praised the so-called 8-point proposal of the Coalition Government of Democratic Kampuchea and called on Vietnam not to reject this proposal.

The 8-point proposal, is in fact, a new farce of the Beijing ruling circle and its scheme to bring the Pol Pot clique back to Kampuchea. Vietnam flatly rejected the so-called 8-point proposal. To back this proposal means to abolish the People's Republic of Kampuchea and lend a hand to the genocidal clique--henchmen of the imperialists and Chinese expansionists and hegemonists--who have committed a bloody crime against the Kampuchean people.

We highly value the resolution of the seventh summit conference of the non-aligned countries on leaving the Kampuchean seat vacant so long as the Kampuchean issue is not solved. This is a correct and practical resolution. We would like to point out that the resolutions on the Kampuchean issue adopted at the United Nations under pressure of U.S. imperialists and Chinese expansionists are invalid because they only distorted the real situation in Kampuchea and in Southeast Asia.

Reality in the past years showed that confrontation only led the ASEAN countries to deadlock and failure. Dialogue is a road conforming to the legitimate aspiration of the 350 million people in the region and the interests of all parties. Dialogues for peaceful coexistence are the trend in Southeast Asia.

The building of Southeast Asia into a zone of peace and stability and a political solution to the Kampuchean question can only be realized through dialogue with practical viewpoints. The people of the three Indochinese countries are united and determined to defend the independence and sovereignty of each country. The situation in Kampuchea is irreversible.

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RADIO FEATURE RAPS ASEAN MINISTERS' CONFERENCE

BK270219 Hanoi Domestic Service in Vietnamese 1400 GMT 26 Jun 86

[Editor Vu Dinh's Feature: "Heighten Vigilance for National Defense"]

[Excerpt] [Passage omitted on Chinese hostilities in early June already reported] As regards the regional situation, a conference of ASEAN foreign ministers recently concluded in Manila, the capital of the Philippines. It is no coincidence that Washington and Beijing have quickly praised this conference as a positive contribution to helping seek a solution to the Cambodian issue. XINHUA has spared no words in praising ASEAN countries for supporting the 8-point proposal of the Khmers in exile.

Continuing to ignore the realities in Cambodia and other Indochinese countries and to intentionally intervene in the PRK's internal affairs, the communique of this conference reiterates the shopworn tune of Vietnamese invasion of Cambodia and demands that Vietnam withdraw its troops and accept the 8-point proposal of the reactionary Khmer clique.

This reveals the very wrongful attitude and action of ASEAN countries which have continued to cling to their policy of tailing after the United States and China to oppose and sabotage the revolution in the three Indochinese countries. It is clear that the ASEAN countries have put forward anything new to respond to the aspirations of the peoples in various countries and to the trends of peace and stability which are developing in the region.

Who has good will and who has not? This is only too obvious to just and impartial public opinion in Asia. It should be recalled that the Indochinese countries have consistently sought to find a correct path to settle the problems of peace and stability in Southeast Asia, including the Cambodian issue.

We have stressed several times that the settlement of the Cambodian issue involves two aspects: The internal and the international aspects.

The Vietnamese side has stated that it will withdraw all its troops by the end of 1990 if the security in Cambodia is no longer threatened from outside. The fifth partial withdrawal of Vietnamese troops from Cambodia last month and the four previous ones demonstrated Vietnam's good will in seeking a reasonable solution to the Cambodian issue, and also the growth and stability of the PRK.

The communique of the ASEAN foreign ministers' conference manifests a negative attitude and interferes with the trend for dialogue that is developing between the Indochinese and ASEAN countries. It shows that in both words and deeds, the ASEAN countries have always sought to lend a hand to the imperialists and international reactionaries in using the Khmer reactionaries to oppose the Cambodian people, and have not responded to the legitimate demands of the Southeast Asian people who wish to live in peace, stability, friendship, and cooperation. This is obviously an inopportune act that will only court a setback and severe condemnation of the general public. [Passage omitted dealing with the situation in Korea and the U.S. arms race]

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CSO: 4209/631

HANOI REVIEWS CEMA AID TO NATIONAL CONSTRUCTION

BK290610 Hanoi Domestic Service in Vietnamese 0015 GMT 29 Jun 86

[Text] Although Vietnam has only been a member of CEMA for 8 years now, the benefits it has received and the long-term prospects are increasingly encouraging.

As of the mid-1980's, hundreds of major industrial projects have been built and put into operation in Vietnam with the assistance of various CEMA countries. With Soviet assistance alone, nearly 200 projects have reportedly been put into operation.

In fact, even before Vietnam became a CEMA member, various European CEMA members gave considerable assistance to Vietnam in many respects. The assistance from these CEMA members to Vietnam has grown since Vietnam joined CEMA. These countries have decided to work on a string of major projects for Vietnam, one of which is to help upgrade the Hanoi-Ho Chi Minh City rail line.

Since 1985, a series of agreements, both multipartite and bipartite, between Vietnam and other CEMA member countries have been signed to help Vietnam resolve its fundamental socioeconomic problems such as agricultural development, building a number of essential heavy-duty industrial sectors, developing the commodity industry, and so forth.

For the period up to 1990, the CEMA countries have unanimously approved a list of priority subjects to be conducted cooperatively with Vietnam, including bauxite exploitation. According to an initial estimate by fraternal countries, Vietnam has huge deposits of high-quality bauxite amounting to several bi'lion metric tons. This will become an important source of supply not only for Vietnam but also for its fraternal countries. Vietnam will also cooperate with its fraternal countries in exploiting and processing apatite, rare earth, rubber, coconuts, and coffee.

It can be said that the cooperation and mutual assistance between other CEMA members and Vietnam since the mid-1980's has covered many fields, including agriculture; the exploitation of nonferrous metal ores; postal service; training high-tech experts; implementing a long-term program for economic, scientific, and technical development; oil and gas and statistics; the rational use of various sources of raw materials; and public health, communications, and transportation between now and the year 2000.

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CSO: 4209/640

NHAN DAN MARKS USSR PATRIOTIC WAR ANNIVERSARY

OW221609 Hanoi VNA in English 1554 GMT 22 Jun 86

[Text] Hanoi VNA June 22--"The historical lesson drawn from the Great Patriotic War of the Soviet people is that no bellicose forces in the world, be it Hitler fascism or Reagan imperialism, can ever destroy world socialism or subjugate a nation led by a Marxist-Leninist party."

This comes in an editorial of the national daily NHAN DAN today marking the 45th anniversary of the beginning of the Great Patriotic War of the Soviet People. The paper says:

"The reactionary nature of imperialism remains unchanged. Instead, imperialism has become even more wicked and dangerous. U.S.-led imperialism has openly declared a crusade against socialism, frenziedly pushed ahead the arms race on earth and is taking it into outer space, and threatens to resort again to the local wars of U.S. expeditionaries in order to counter the national independence movement. The imperialists are scheming to offset the present strategic military parity in their favor. To materialize their plan, they have entered into close alliance and collusion with militarism, hegemonism and expansionism, Zionism and racism, thus causing an unprecedentedly tense and complicated situation in the history of international relations. [quotation marks as received]

NHAN DAN goes on: "To struggle against the nuclear arms race and the adventurous policy of imperialism to defend world peace has, therefore, become a task of utmost importance for humankind. The strength and growth of the Soviet Union and world socialism are effectively checking all war schemes of imperialism and have made important contributions to the defense of world peace and life."

"The Soviet peace initiatives, as expounded in the 27th CPSU Congress and the recent statements by General Secretary M.S. Gorbachev, embody the Soviet Union's good will and high sense of responsibility towards the destiny of humankind. They demonstrate the Soviet people's strong determination never to let another June 22 tragedy happen in this nuclear age and to do all their best to prevent a nuclear holocaust from breaking out," the paper emphasizes.

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CSO: 4200/1175

BRIEFS

JOINT AMITY ASSOCIATION PRESIDIUM MEETS--Hanoi VNA June 21--The Presidium of the Vietnam-USSR Friendship Association met here today to sum up its first-half-year work and discuss a program for the latter half of this year. The session noted that in the first half of 1986 the association has focused on propaganda for the 27th Congress of the Communist Party of the Soviet Union by organizing a series of meetings, exhibitions, film shows, labor emulation drives and Communist labor days. The association has sent delegations to the Soviet Union to discuss measures aimed at strengthening the friendly ties between the Vietnamese and Soviet friendship organizations and twinned bases. The presidium appointed Trinh Trang as general secretary of the association's executive committee. Also today, a protocol on bilateral cooperation for 1986 was signed here by Nguyen Vinh, president of the association, and Soviet Charge d'Affaires I.N. Miakotnykh. [Text] [Hanoi VNA in English 1529 GMT 21 Jun 86 OW]/12766

U.S. CONGRESS AID TO CONTRAS--Hanoi VNA June 29--NHAN DAN today strongly protests against the U.S. House of Representatives for adopting, under Reagan's pressure, a decision to give $100 million of military aid to the Contras reactionaries. "This is an extremely erroneous decision and a gross intervention in Nicaragua's internal affairs, a sovereign, independent country," the paper points out. It adds: "This act of the United States not only undermines a peaceful solution to the Central America question for which Nicaragua and the Contadora group are working but also aggravates the already dangerous tension in the region." The paper recalls The Hague International Court's ruling that by aiding the Contras the United States had infringed upon international law and the United Nations Charter. The court has also completely rej cted the U.S. allegation that Nicaragua has supplied weapons to the Salvadorean patriotic fighters. NHAN DAN warns that the Reagan administration is gradually involving the United States in another Vietnam. The paper continues: "Together with the people in Latin America and the rest of the world, the Vietnamese people reaffirm their solidarity with the just cause of the people of Nicaragua and Central America. We resolutely demand that Washington stop its policy of intervention and aggression against the Republic of Nicaragua, and let the people in this country decide their own destiny." [Text] [Hanoi VNA in English 1520 GMT 29 Jun 86 BK]/12766

CAMBODIAN PARTY'S ANNIVERSARY--Hanoi VNA June 25--The Vietnam-Kampuchea friendship organization of the Hanoi plastic goods factory made its debut here today

in honor of the 35th founding anniversary of the People's Revolutionary Party of Kampuchea (June 28). Present on the occasion were representatives of the executive committee of the Vietnam-Kampuchea Friendship Association. Also present was Kampuchean ambassador to Vietnam Tep Henn. During a week-long labor emulation drive to mark the anniversary, the workers and employees of the factory have spared some money to buy gifts for an orphanage in Phnom Penh. Other chapters of the association in various public offices and mass organizations have launched labor emulation campaigns and held talks in solidarity with the Kampuchean people. [Text] [Hanoi VNA in English 1530 GMT 25 Jun 86 OW] /12766

FRIENDSHIP ASSOCIATION RENAMED--Hanoi VNA June 26--The Vietnam-Libya Friendship Association has changed its name into the Vietnam Committee for Solidarity and Friendship With the Libyan People. Song Hao, member of the Communist Party of Vietnam Central Committee, minister for disabled soldiers and social affairs, remains president of this organization. At a function here this morning, Prof Hoang Minh Giam, president of the Committee for Solidarity and Friendship With Peoples of Other Countries, said that the renaming of this friendship organization is prompted by the Vietnamese people's strong support for the Libyan people in the struggle against the U.S. aggressors. It is also aimed at strengthening the solidarity, friendship and cooperation between the two peoples. 'Abd al-Salam al-Arabi Munir, secretary of the People's Bureau of the Socialist People's Libyan Arab Jamahiriyah was present on the occasion. On this occasion, Song Hao sent a letter to Colonel Mu'ammar al-Qadhdhafi, leader of the September 1 revolution of the Libyan people, reaffirming the Vietnamese people's constant support for the fraternal Libyan people's just and invincible struggle. [Text] [Hanoi VNA in English 1457 GMT 26 Jun 86 OW]/12766

LPRP JOURNAL DELEGATION VISIT--At the invitation of the TAP CHI CONG SAN office, a delegation of the LPRP's political and theoretical journal ALOUNMAI led by assistant editor-in-chief (Mounkeo), visited our country. The delegation visited the Ho Chi Minh Mausoleum and his lifetime residence. It worked with the editorial staff of TAP CHI CONG SAN and visited some economic and cultural installations in Hanoi and some southern provinces. On the afternoon of 21 June, Comrade Dao Duy Tung, party Central Committee member and head of the Central Committee Department of Training and Propaganda, received and cordially talked with the delegation. On 23 June, they left for home. [Text] [Hanoi Domestic Service in Vietnamese 0500 GMT 23 Jun 86 BK]/12766

SOVIET GIFT TO JOURNALISTS--Hanoi VNA 24 Jun--The USSR Union of Journalists has sent two automobiles and a quantity of commodities as a gift to the Vietnamese Journalists' Association (VJA). The presentation was made at a ceremony held here today in the presence of Ali-zadd Raonf [name as received], counselor to the Soviet Embassy in Hanoi, and leading officials of the VJA. Tran Cong Man, vice president of the VJA, expressed sincere gratitude to the USSR Union of Journalists and the Soviet Embassy for the gift given to the VJA. [Text] [Hanoi VNA in English 1459 GMT 24 Jun 86 OW]/12766

MPR FRIENDSHIP TREATY CELEBRATION--Hanoi VNA 25 Jun--A film show was held here yesterday by the Mongolian Charge d'Affaires A.I. in Vietnam, Tsediy Batbouyan [name as received], to mark the 25th anniversary of the Vietnam-Mongolia Treaty of Friendship and Cooperation signed on 25 June 1961. [Text] [Hanoi VNA in English 1535 GMT 25 Jun 86 OW]/12766

AMBASSADOR MEETS WITH MUGABE--Hanoi VNA June 26--Vietnamese ambassador to Zimbabwe Vo Anh Tuan was received in Harare on June 17 by Zimbabwe Prime Minister Robert Mugabe. The Zimbabwe prime minister expressed satisfaction at the development of the Vietnam-Zimbabwe relations. He recalled his good impressions of the Vietnamese people in his visit to Vietnam in 1978, saying that Vietnam is an example for the nations struggling for national (?independence). Ambassador Vo Anh Tuan conveyed the best wishes of Chairman Pham Van Dong to the Zimbabwe prime minister. He highly valued the role of Zimbabwe, especially that of Prime Minister Mugabe in the Non-Aligned Movement and reaffirmed that Vietnam will actively cooperate with Zimbabwe and other friendly countries in making the forthcoming Eighth Nonaligned Summit in Harare a complete success. [Text] [Hanoi VNA in English 1449 GMT 26 Jun 86 OW]/12766

USSR SATELLITE STATION--The two semifinals in the Mexico World Cup on Wednesday are France against West Germany and Argentina versus Belgium. Millions of Vietnamese soccer fans follow these games' live broadcasts through the Soviet-assisted ground satellite station. [Text] [Hanoi International Service in English 1000 GMT 25 Jun 86 BK]/12766

MADAGASCAR LEADER CONGRATULATED--Hanoi VNA June 25--State Council President Truong Chinh today extended his greetings to President Didier Ratsiraka of the Democratic Republic of Madagascar on its 26th independence day. The message said: "Over the past years, the Madagascan people, under your excellency's leadership, have scored great achievements in defending national independence and building a prosperous country. The Vietnamese people greatly rejoice over those successes of the Madagascan people and sincerely wish them still greater achievements in their glorious revolutionary cause for peace, national independence, democracy and social progress. May the friendship and cooperation between our two countries be further consolidated and developed." On this occasion, Foreign Minister Nguyen Thach has sent his greetings to his counterpart in Madagascar, Jean Bemanajara. [Text] [Hanoi VNA in English 1532 GMT 25 Jun 86 OW]/12766

OUTGOING FRG AMBASSADOR--Hanoi VNA 24 Jun--Geert-Heinrich Ahrens, ambassador extraordinary and plenipotentiary of the Federal Republic of Germany to Vietnam, today paid a farewell visit to chairman of the Council of Ministers Pham Van Dong before leaving here for home for a new assignment. Chairman Pham Van Dong had a cordial conversation with the FRG ambassador. [Text] [Hanoi VNA in English 1500 GMT 24 Jun 86 OW]/12766

WORKING PROGRAM SIGNED--Hanoi--Van Dong, chairman of the Vietnamese Council of Ministers and member of the Communist Party of Vietnam [CPV] Political Bureau, has affirmed his country's support for Iraq's peaceful policy to end the war through negotiations. He also expressed his hope that this war will end through peaceful means. During a meeting today with Samir Muhammad 'Abd-al-Wahhab, member of the Arab Socialist Ba'th Party Regional Command, Van Dong expressed his appreciation for the wise Iraqi leadership and its initiative to end the Iraq-Iran war. The Arab Socialist Ba'th Party and the CPV signed a working program in Hanoi last night. It was signed for the Ba'th party by Comrade Samir Muhammad 'Abd-al-Wahhab, Ba'th Party Regional Command member, and for the CPV by Le Quang Dao, secretary of the CPV Central Committee. The working program calls for encouraging cooperation between the two states and parties in various fields, exchanging opinions and stands in international meetings and conferences, as well as encouraging the exchange of international publications and scholarships between the two states in higher specialized studies. The Ba'th Party delegation paid a similar 5-day visit to the PRC during which it held talks with the CPC leaders. [Text] [Baghdad Voice of the Masses in Arabic 0700 GMT 23 Jun 86 JN]/12766

CSO: 4604/41

BRIEFS

NATIONAL ASSEMBLY SESSION--Hanoi VNA June 25--The 11th Session of the National Assembly, 7th legislature, was given a hearing by Nguyen Dang, acting chairman of the Economic, Planning and Financial Committee of the National Assembly, on reports yesterday of the Council of Ministers. It also heard a report from Foreign Minister Nguyen Co Thach on the world situation and the external activities of the party and state in the first 6 months of this year. [Text] [Hanoi VNA in English 1525 GMT 25 Jun 86 OW]/12766

CSO: 4200/1165

BRIEFS

NEW TOWN IN QUANG NINH AREA--Hanoi VNA June 26--Ha An Provincial Town covering an area of more than 1,000 hectares in the Quang Ninh coal mining area, not long ago a strip of waste land, has now become a promising new economic zone. The first settlers came from north of the Chanh River. They formed a new village and set up a dyke to make the saline land cultivable. Apart from growing rush they repaired boats and engaged in coastal transport. Each year, they turned out hundreds of thousands of square meters of rush mat for export. Besides rush they also grew rice and raised pigs. At the site of the former swamp a new agglomeration has sprung up, provided with a "cultural house" and a 1,000-seat meeting hall. [Text] [Hanoi VNA in English 0715 GMT 26 Jun 86 OW]/12766

PRIVATE INDUSTRIES REGISTERED--Hanoi VNA June 25--In the past 5 months, nearly 1,000 families in Ho Chi Minh City mostly those with traditions of craftsmanship have registered for opening private small industry or handicraft enterprises. Five months ago the municipal People's Committee issued a decision encouraging private small industries and household occupations with a view to expanding production of consumers and export goods. The decision also calls on private citizens having relatives in foreign countries to invest in small industry and handicraft production. Privately-owned industry and commerce is one of the five economic sectors which will continue to exist in South Vietnam during the transitional period to socialism. The producers have to register with the local people's committees and fill all the norms regarding the quality of products, trademark, the number of personnel recruited, etc. Private production establishments are to operate along the common plan of the city. They are allowed to produce what is not yet sufficiently covered by the state-owned or collective sectors and not to engage in branches that comes under the exclusive mandate of the state such as alcoholic beverage, cigarettes, painting, pharmaceutics, etc. [Text] [Hanoi VNA in English 1521 GMT 25 Jun 86 OW]/12766

FARM PRODUCE FOR EXPORT--Hanoi VNA June 24--Tay Ninh Province, northwest of Ho Chi Minh City, has so far this year purchased 6,000 tons of farm produce for export, a two-fold increase over the same period last year. The province's main export farm products are peanut and cassava. The local farmers have been provided with money, insecticides and high-yield seeds to expand the groundnut acreage marked for export to 2,000 hectares. The areas specialized in this crop have sold to the state almost 5,000 tons of peanut, half of which are for export. The Mekong River delta province of Long An in the same period pur-

chased 5,500 tons of farm produce for export, mostly beans, cashew seeds, lotus seeds, sesame and chili. The figure increased by 1,500 tons compared with last year. Farmers in the central coastal province of Thuan Hai have sold to the state 1,000 tons of onion for export, a two-fold increase over last year. They reaped a bumper onion crop with an average of 20 tons per hectare. [Text] [Hanoi VNA in English 1455 GMT 24 Jun 86 OW]/12766

CSO: 4200/1175

AGRICULTURE VIETNAM

BRIEFS

WORKSHOP ON 'FLOATING RICE'--Hanoi VNA June 25--A workshop on the growing of floating rice in the Mekong River delta was held recently in Dong Thap Province, southwest of Ho Chi Minh City. The workshop was sponsored by the agricultural service of Dong Thap Province and the Can Tho College. Rice specialists of the International Rice Research Institute also attended besides Vietnamese agronomists. The "floating" rice--so called because of its adaptation to deeply immersed fields in the rainy season--is mostly grown in the plain of reed where double-cropping is made impossible by the long immersion. It has the advantage of being resistant to crop pest and giving a tasty rice but is handicapped by a low yield. The workshop discussed measures of intensive farming to boost its productivity. [Text] [Hanoi VNA in English 1515 GMT 25 Jun 86 OW]/12766

RICE TRANSPLANTING COMPLETED--By now, peasants in the Mekong delta provinces have completed in the main the transplanting of summer-autumn rice. They are now concentrating on tending rice and fighting crop pests. Long An Province has put 60,000 hectares under rice, up by 7 percent over that in the last summer-autumn crop. Meanwhile, peasants in An Giang Province have fulfilled their transplantation plan. Thanks to effective measures, the province has saved 10,000 hectares of summer-autumn rice from crop pests and mice. [Text] [Hanoi International Service in English 1000 GMT 25 Jun 86 BK]/12766

CSO: 4200/1165

BRIEFS

USSR OIL, GAS VENTURE--The oil well no 2 has been completed by Vietnamese workers and Soviet experts of the Vietnam-USSR oil and gas joint venture in southern Vietnam. The oil capacity of the well is good. [Text] [Hanoi International Service in English 1000 GMT 27 Jun 86 BK]/12766

'SAIGON 86' NEW CAR SERIES--Enterprise 30-4 [30 April] recently produced a series of five-seat "SAIGON 86" sedans. Each car's capacity is 350 kilograms and has a 32 horsepower engine. [Text] [Hanoi HANOI MOI in Vietnamese 3 Jun 86 p 3] /6091

CSO: 4209/632

NHAN DAN ON CENTRAL HIGHLANDS' POTENTIALS

BK271452 Hanoi NHAN DAN in Vietnamese 2 Jun 86 pp 1, 4

[Article by Nguyen Duc Hung and Nguyen Hai Van: "The Central Highlands--a Large Area for Labor and Population Redistribution in the Country"]

[Text] With 5.5 million hectares of natural land, the Central Highlands accounts for 16 percent of the country's arable land. This is not an area of sheer highlands but a region of high mountains that comprises five extensive and relatively flat plateaus of basalt soil separated by various mountains of the Truong Son ranges.

Land is the most valuable natural resource of the Central Highlands, and forested land is its strongest point. There are 4 million hectares of forested land in the Central Highlands, which make up 22 percent of the country's total area of forested land. Forests in the Central Highlands cover an area of 2.3-2.5 million hectares, representing 32 percent of the total area of forests and 45-46 percent of the reserves of timber in the country. Through various periods of time, it seems as if forests in this region have only been exploited and have never been planted anew or renovated. Forests and forested land in the Central Highlands are capable of attracting the largest number of laborers. However, laborers working for the forestry sector in the region still account for a very low percentage (9 percent of the total number of social laborers).

The second strongest point of the Central Highlands is agricultural land, which covers 1.5 million hectares. Of these, such main crops as rubber accounts for 300,000 hectares, coffee 90,000 hectares, tea 30,000 hectares, wet rice 100,000 hectares, and pasture 160,000 hectares. The prospect for crop cultivation is tremendously good. At an elevation of 1,000 meters, the region can be used to plant crops from temperate zones. According to a preliminary survey, if the entire area of agricultural land is put under rice and food crop cultivation in the 1990-2000 period, it is estimated that the Central Highlands can ensure sufficient grain for nearly 4 million people--the expected population of the region in the future which is more than double the current one. In the cultivated areas of agricultural land and forested land where the majority of ethnic minority groups adopt nomadic farming and nomadic life, agricultural laborers always account for the highest percentage. There are now 614,000 of them in the Central Highlands, representing 71 percent of the number of social laborers.

If computing the labor requirements of the two agriculture and forestry sectors alone along with the land capacity, there will be a need for 3 million laborers plus the approximate number of 1.5 million laborers in other sectors, the Central Highlands will need 4.5 million laborers and a total population of 9 million people.

The two strengths of forestry and agriculture in the Central Highlands will enable the vigorous development of industry, especially the extracting, processing, consumer goods, and exports industries. With its favorable natural conditions and fundamental latent potentials and its high altitude position allowing for the control of the Vietnam-Laos-Cambodia border junction, the Central Highlands is really a zone of strategic, economic, security, and national defense importance.

The Central Highlands is large, rich in natural resources, and thinly populated, one to three people per square kilometer. The Central Highlands people are really privileged by nature. This is the very reason why nomadic life has become an inveterate habit prevailing through several generations of people in this region, making production sluggish.

The important point is that we must shift the entire production sector to producing goods, concentrate investment in the Central Highlands according to its socioeconomic requirements and at the most rapid momentum as compared to other regions, and bring a large number of workers and people here to carry out the socioeconomic objectives of the region. The increase in the number of educated people will limit the tendency toward nomadic life and farming. Just like the development of history, the advance of nomadic tribal people in the Central Highlands toward settled life and farming is an inevitable law. The campaign to motivate and help people settle their life and farming since liberation has scored some definite initial results. The people now know how to grow wet rice and achieve high yield (7 tons per hectare). In Dac Lac Province, the per capita grain allocation in 1984 was 400 kg. This is still a small figure. We must foresee all the difficulties when nearly all the nomads have settled their life and farming. A change in the mode of production will lead to changes in a series of other issues, such as crop seeds, mode of cultivation, tools, techniques, livelihood, and other new demands.

There is a close relationship between the population and the economy. The population is reasonable when it is balanced with the economy. This is the legality of socialist population and economy which reflects the most prominent point that all labor-fit people have a job.

In the course of development, the demographic quantitative change accounts for a considerable part in the entire situation of population on the Central Highlands. Research has revealed that the lowland people came to the Central Highlands by the beginning of the 20th century. In 1935, the lowland people accounted for about 20,000 persons (5.5 percent of the population). In 1980, the figure went up to 797,000 (52 percent of the population). In 45 years, the density has increased by 10 times and the population by 40 times. Like the north-south flow of people, the flow of people from lowlands to highlands in history conforms to an inevitable trend. However, the status, characteristics, and objectives of the flow of migrants in each period differed from

one another. Following liberation, with our party and state policy of national unity aimed at developing the economy and society in all regions, balancing resources, and redistributing labor, we have moved 100,000 people to the Central Highlands.

With a view to building and consolidating the revolutionary administration, the first group of relocated people was composed of nearly all elements (party cadres, administration personnel, mass organizations' members, and generally scientific and technical cadres and workers). In subsequent years, effort was made mainly to increase the agricultural population. Generally speaking, the lowland migrants to the Central Highlands gathered mostly in towns, cities or new and prosperous population centers where road and waterway communications are convenient. The motivation of tribal people to live together with lowland people and the tasks of combining production with trade and barter of goods and of disseminating cultivation techniques are our duties that must be implemented along with the process of relocating the people hereto from the delta.

Since 1976, the infusion of labor and population into the Central Highlands has greatly contributed to socioeconomic development there and, especially, to successfully resolving the grain issue--the region's chronic problem. In particular, wet rice cultivation techniques have been introduced to ethnic minority people there; and many cooperatives have recorded a rice yield of 7-10 metric tons per hectare. This is a new factor for intensively developing grain production. The average per-capita grain output has increased constantly--from 246 kg in 1976 to 280 kg in 1982. Production relations have shown new progress. Besides the backward production methods employed by people of various ethnic groups, state-run agricultural-forestry establishments have developed satisfactorily. The movement for cooperativization has been expanded; but it has yet to meet the requirements and, therefore, it needs to be further consolidated because production collectives and cooperatives still remain weak in many areas.

A total of 400,000 people were sent to the Central Highlands in 9 years (1976-84). According to still incomplete statistics, some 280,000 people--or 70 percent--remained there throughout this duration. Though the number of people who remained there in each period varied, their percentage kept increasing with the passage of time (60 percent in the 1976-79 period and 80 percent in the 1980-84 period). The main reason for this increase was that more flexible and suitable migration formats were introduced, and more careful survey was made at the points of destination. A survey of the workforce and population at state farms clearly shows that the percentage of settlers who had chosen to stay reached as high as 85-92 percent because the state farms were more able to stabilize the settlers' living conditions. However, depending on the production conditions, living conditions, and the level of income, this percentage did differ. For state-run forestry establishments in particular, this percentage was generally low, about 70-75 percent.

Why does the number of people who have chosen to stay in the Central Highlands still remain small? There are two main reasons as follows:

First, of the expenditures earmarked for the redistribution of labor and population, very little is used to help new settlers in new economic zones stabilize their living conditions and prepare for production. Moreover, the initial level of income at the point of destination is generally lower than that at the point of departure. According to survey statistics, in 1984, the average monthly income at the point of departure was 5,400 dong per laborer and 1,330 dong per person as compared with 4,700 dong and 1,240 dong at the point of destination.

Second, infrastructure facilities such as markets, schools, hospitals, roads, and welfare, cultural, and spiritual projects at the new homesites are far less adequate than at the settlers' native places, not to mention living quarters and home equipment. At present, new settlers in the Central Highlands are most concerned about hospitals and schools--things they badly need in case of illness and for the future of their children.

Most of the people who migrated to the Central Highlands in the recent past are those engaged in agricultural production only. Apart from the results obtained, there remain bad practices as some people have come up here to plant crops just enough for their own consumption. They have destroyed forests not only for cultivation purposes but also for other daily life activities. Settlers in the Central Highlands must, first of all, produce sufficient grain and food for their own consumption and, later, create a source of products for society to contribute to socioeconomic development in the region without damaging forest assets.

The policy of mobilizing managerial and scientific-technical cadres to participate in building new economic zones remains unsuitable and still fails to encourage everyone to do so. In many localities, the selection of people for migration in the initial stage has been focused more carefully on quantity than quality.

To increase population in the Central Highlands, attention should be paid to the following points:

--The Central Highlands constitutes the most extensive region for labor and population redistribution in the country.

--Labor redistribution in the Central Highlands must be carried out according to each specific locality and each specific sector and in such a way as to ensure that it involves others than those engaged in agricultural production and is focused on areas close to cities or towns.

--Laborers must be allocated in accordance with the needs arising from socioeconomic development in each locality.

--To ensure a high percentage of settlers who choose to stay, it is necessary to raise the standards of their material and spiritual life.

To increase population with appropriate steps, based on the potentials of the Central Highlands and the ability to invest in economic development in this

region, it is necessary to send 500,000 laborers up there in 1990. By the year 2000, this figure will be increased to 1.5 million. Thus, between 1986 and 2000, on the average, we will send 100,000 people to the Central Highlands each year. The highest rate of displacement in a period will be 4.8 percent and the lowest 2.8 percent. These are higher than in the past and equal to the highest rate of displacement (4 percent) that involves the long-term development of a new economic zone in the world.

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CSO: 4209/640

POPULATIONS, CUSTOMS, AND CULTURE VIETNAM

BRIEFS

CAO BANG TOWN ENLARGED--The Council of Ministers issued the following decision, on 25 June 1986, enlarging Nguyen Binh Town in Cao Bang Province. Part of the land and population of The Duc Village has been incorporated into Nguyen Binh Town. The new Nguyen Binh Town is now adjacent to Minh Thanh Village to the east, The Duc Village to the west, Quang Thanh Village to the south, and Thai Hoc Village to the north. [Text] [Hanoi Domestic Service in Vietnamese 1100 GMT 27 Jun 86 OW]/12766

CSO: 4209/640 END